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BIG MARKET IN SIGHT FOR CANADA'S PAPER

If British Preference is Granted Will Mean Big Things

OFFICE IN LONDON

In Anticipation of Important Developments, Canadian Export Paper Co. Opens a Branch in England

By Resident Representative

MONTREAL.—Keen interest was aroused among the pulp and paper mills in Canada by the intimation of Bonar Law that a preference would be given the Dominions overseas.

In a statement to THE FINANCIAL POST, George F. Steele, general manager of the Canadian Export Paper Company, declared that if the preference were accorded Canada that it "would mean a market for pulp and paper of over 500,000 tons a year, and result in the greatest expansion in the production of both lines that Canada has ever seen."

It is learned that the Canadian Trade Commission has received word from Lloyd Harris that Hall Caine jr., Deputy Paper Controller of Great Britain, in conversation with him, mentioned that the annual demand of Great Britain for pulp, including sulphite and ground wood grades, was 1,200,000 tons, and Mr. Caine considered it was quite reasonable to expect that the Canadians should supply at least half of this amount.

The Deputy Controller, Mr. Harris reports, considers that Canada has an unprecedented opportunity to secure bulk of the pulp business in England and also to supply newsprint and other manufactured papers, for which there is an opening for 75,000 to 100,000 tons per annum. It is not unreasonable also to suppose that Canada would be able to build up a business with France, Italy and other European countries.

The Canadian Paper Export Co., as it is organized to-day, is the selling organization for the Laurentide Co., Belgo-Canadian, Brompton, St. Maurice, Howard Smith, Price Bros., Provincial Paper Mills, and other pulp and paper producers. Mr. Steele stated that the interests represented by his company are prepared to take advantage of this market. The Export Company, in anticipation of this has opened on office in London in connection with W. C. Powers & Co., Ltd., in charge of Mr. Wise, an experienced paper expert, formerly with the International Paper Co., and the Canadian mills are prepared to ship paper to the extent of 100,000 tons per annum, as soon as space is available. At the present time the British market is open to Canadian paper only, and it is regrettable that the British Government cut down the available space from 50 to 25 per cent. for large orders have been secured which are simply awaiting the opportunity of shipment. After the first of May the British market is open to all the world, and it would seem unfortunate, in Mr. Steele's opinion, that the opportunity of Canada entrenching herself in the British market, should be made impossible by lack of freight space.

Inquiries from a number of pulp manufacturers drew the reply that they were anxious and ready to ship large quantities of pulp to England, but on account of the lack of space and high freight rate asked by the shipping companies, it is impossible to move offerings in competition with Scandinavian products, which get an advantage in freight rates and so can be laid down at just that difference. The Riordon Pulp and Paper Co. have already notified the Canadian Trade Commission at Ottawa of the amount of pulp they will have available for sale in Great Britain, and the Commission, and Lloyd Harris overseas, and Frank P. Jones, with the knowledge of conditions he gained when there himself, are all co-operating with the Canadian mills to secure an improvement in conditions.

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CANADA'S WHEAT WANTED

American Export Will Form Basis of European Supply

By Resident Representative

LONDON.—C. A. McCurdy, the Parliamentary Secretary to the British Ministry of Food, speaking at a dinner in London said that the wheat necessary for a minimum demand on Europe in the next six months can only be obtained from taking supplies from every available source—that is, mainly from Canada and America. The large stores of grain which exist in Australia cannot be used, except so far as shipping can be found for that purpose, and of the amount that can be made available about one-half will be required to meet the serious famine in India, and of the balance other European countries must have their share.

U.S. RAILROADS ARE IGNORING THE NEW STEEL PRICES

Cold Water Thrown on the Whole Scheme of Price Regulation

The plan for deflating war prices is not having a smooth course in United States. It was anticipated that the new schedule of steel prices would loosen up an order for a million and a half tons of steel for railroads, on order of the U. S. Railroad Board.

Sessions between almost all the administration officials in Washington brought out the fact that Director-General Hines, of the Railroad Administration, would have nothing to do with the programme of price fixing, and refused to recognize the 14 per cent. reduction as the signal for the placing of large orders by his department, in spite of the fact that large tonnage of rails are needed.

The putting in of large Government orders now would be highly desirable. It would put the Government in the position of being a pace maker in market matters. Likewise the refusal of the Railroad Board to buy on the new scale, throws considerable cold water on the whole scheme, as buying was the one thing that the reductions sought to encourage.

Just how much lower Director-General Hines wants prices to go is not known. It is intimated that his real point is a desire to go out into the market, unhampered, and secure bids and tenders and accept the lowest.

SAVED MATERIALS FROM THE BRITISH

Germans Naively Explain Why They Denuded Industries of France and Belgium

That they found it necessary to remove materials and machinery from France and Belgium to prevent their destruction by the British is now brazenly being explained by German manufacturers through the General Union of Manufacturers and Exporters of Berlin and at the same time they explain that as the result of these removals they are in a position to fill orders with goods which cannot be obtained from any other source. Here is the way they put it in instructions to agents seeking export business:

> The systematically brutal and inhuman methods pursued by the Franco-British armies in France and Belgium during the war, and particularly by the English, have brought about the total destruction by gunfire (destruction more than probably premeditated by the English) of all the factories, of all manufacturing centres, stocks of raw material, coal, lines of communication, rolling stock, in all the area which has served as the theatre of war.
>
> Our civil and military services, horrified at the sight of such spectacles of systematic obstruction, which they were unable to avert, saw their way to lessen their intensity in some measure by transporting into German territory practically all the material to be found in the country occupied by our valiant armies.
>
> We have thus been able to save from destruction stocks of raw material and manufactured goods of inestimable value; these stocks remain at the complete disposal of manufacturers and our merchants.
>
> In this manner our happy foresight has served to assure the populations of the world of the easy revictualling of the globe in manufactured articles after the war, despite the fact that the savagery of the British troops nearly deprived them of that privilege.

WHEAT PROBLEM AN IMPORTANT ONE FOR CANADA

Finance and Transportation Are Big and Difficult Questions

THE MARKET VALUE

The Hoover Prediction of Still Higher Prices Not Taken Seriously — British-Canadian Co-operation Necessary

By F. M. CHAPMAN
Editor, "Farmers' Magazine"

Undoubtedly wheat is the biggest question before Canadian producers to-day, and that is a real question because no one seems to know what is likely to happen to Canada's exportable wheat surplus this year. Sanford Evans has asked in the press some pertinent questions as to the market and transportation possibilities. Herbert Hoover's optimism as to prices is not regarded seriously by anybody here, but recent despatches from Great Britain as sent to THE FINANCIAL POST hold out hope that some solution for financing this year's crop at good prices is possible.

That much can be done in practical politics is hinted at in the despatch from Sir George Makgill, secretary of the British Empire Producers' Organizations, who says that there is a lack of mutual understanding between Canadian wheat producers and the British millers. Perhaps the secretary of the Canadian Council of Agriculture, who spent some time recently overseas, can give what negotiations, if any, have been going on towards the disposal of Canada's crop next year!

On top of this comes a despatch from C. A. McCurdy, Parliamentary Secretary to the British Ministry of Food, saying that a minimum demand from Europe for the next six months would take all the supplies available from any source. Australia's crop cannot be effectively disposed of in Great Britain owing to the lack of ships, while one-half of it will be needed to feed starving India. And while Great Britain has an order for delivery in Liverpool of Argentina's wheat the same haulage bugbear looms up. Hoover's assertion might yet prove to be correct.

As to Money and Ships

Then again, as Sanford Evans says, even if Canada has the wheat, how shall we finance it, and how get ocean ports to load it? At present the U. S. has decided on centralized selling for another crop, and if all buyers and sellers are Governments, the individual will have a poor chance. And if open markets are not restored then the Government of Canada must create the conditions. It is palpably their concern now, for their special powers cease on the proclamation of peace. If open markets were restored all around, the problem would doubtless be simplified.

Then the other question comes up of finances. Europe may not pay cash. It will be totally impossible for individuals to finance the crop, and since wheat was practically a munition of war; with fixed prices the onus is clearly upon the Government to handle the product at no appreciable loss to the producers. Unless crop scares develop during the growing season the problem will become acute as time advances. The United States expects the biggest wheat crop in her history, perhaps a billion bushels, with a possible export of 600,000,000 bushels. Such an outflow would be more than all the American and Canadian ports ever shipped even in the record war-time year when the tonnage at their disposal was an exceptionally large proportion.

The feeling among Canadian farmers generally is that wheat will be a good price in any event, and spring acreage nearly as large as last year is likely to be sown. Fall wheat is coming through in fine shape although this crop is almost negligible in Canada. Other crops such as flax, sugar beets, peas and coarse grains are likely to be large and to draw somewhat from the Ontario acreage of spring wheat. The grass cattle situation is panning out just as James E. Poole, in "Farmers' Magazine," outlined some time ago. "We will see," said Mr. Poole, "the greatest scramble in history for grass cattle, for which farmers would have to compete with packers and the country filled with dear cattle."

Private Companies Win Decisions in Hydro Fight

THERE have been a number of very important decisions rendered recently by the Privy Council and at Osgoode Hall bearing upon the relations of the Hydro-Electric Commission and the private car interests at Niagara which represent pioneer investments in the development of electric energy in Ontario. As all of these rulings have tended to stay the progress of the Hydro machine in the destruction of private property and the over-riding of private rights, there has been little comment in the pro-Beck press, which blinds itself to everything but the furthering of public ownership without regard to the means or methods adopted, or the interests of investors or even taxpayers.

In brief, the Privy Council decisions give the power interests the right to appeal to the highest courts of the Empire for an interpretation of their contract and franchise rights in the face of Ontario legislation, which provides that a fiat must be secured from the Attorney-General before such appeal can be made, and that appeals only to a Canadian court can be made from the decisions of the Ontario Railway Board. The Ontario court rulings have established the rights of the private interests to develop power according to a reasonable interpretation of the franchise and to secure a fair price for power delivered to the Ontario Power Company—the Ontario Hydro—under order of the Power Controller.

Through his ability to secure practically anything demanded in the way of legislation, Sir Adam has been riding rough-shod over private rights. He has been particularly energetic in his efforts to prevent the companies taking their cases to the Privy Council. The Privy Council has ruled that the companies have a right to make such appeals, and the ends of this "Prussian" legislation have been defeated. Likewise the further efforts to curtail water supply to the companies so as to bolster up the Chippewa project have met a check.

Brief Outline of Cases

The hearing before the Privy Council covered three principal actions. The first of these is by the Electrical Development Company against the Hydro Commission and the Attorney-General and involves the whole right of the Commission—and the powers of the Government to grant that right—to develop power from the Niagara river. This action is based upon the charter acquired by the Electrical Development Company from the original holders, setting forth that the Government would not itself develop power in competition and would not allow other interests to do so unless charged rentals for water on a basis of equality. On this action the Privy Council reserved judgment as to the right to appeal in the face of the legislation requiring a fiat from the Attorney-General, but on two other actions on which decision was given later, such decision was favorable to the petitioners, the ruling is likely to permit the appeal.

A second action is by the Electrical Development Company against the Attorney-General for the right to appeal against the order-in-council based upon the decision of the Meredith Commission, under which the Company was required to develop an approximate 150,000 horse-power at its plant, as compared with the 125,000 horse-power under its charter and to deliver the surplus to the Hydro Commission on a proposed basis of $9.50 per horse-power. The Meredith Commission, it will be remembered, rendered its decision while there was an action pending in the courts as to the interpretation of the company's contract on the point as to 125,000 horse-power of commercial power. The company's appeal was in this case also headed off by legislation requiring a fiat from the Attorney-General. In this case leave to appeal has been granted.

The third action involved the Toronto Electric Railway Company's right to appeal against the fine of the Railway Board for not carrying out orders with regard to increased equipment and service. Here the company was headed off in its appeal by legislation allowing only one appeal from the decisions of the Railway Board, and that the Appellate Court. Leave to appeal in this case has been granted. It was on this account that the Railway Board recently refused to impose further fines on the company for not complying with its orders.

Establishing Development Rights

In the Ontario courts the recent decision of Judge Middleton bearing upon the Electrical Development Company's water rights has been of the highest importance. In this case the effort of the Hydro interests was to show that in the development of 125,000 horse-power, according to franchise agreement, the company was using more water than necessary. The court held, however, that 125,000 horse-power of commercial power meant that amount of power at the transformer, and held further that the company had efficient equipment. This heads off a campaign against the company which was following the same tactics as that against the Ontario Power Company, which so handicapped that concern that it sold to the Hydro interests rather than continue a one-sided fight.

Another decision by Judge Middleton promises to cost the Hydro a lot of money. It involved the sum of $195,500, being the difference between the claim of the Toronto Power Company of $304,300 and the allowance of the Hydro Commission of $109,000 on account of power delivered to the Ontario Power Company under order of the Power Controller. The court held that the Ontario Company was bound to exhaust its contract rights with the Toronto company before resorting to emergency legislation, and that the powers of the Controller (Sir Henry Drayton) were not intended to enable a company to evade the terms of a contract and force the vendor to supply power on other than a contract arrangement.

Private Interests in a Big Fight

The foregoing gives some inkling of the fight which the private power interests have on their hands to escape being crushed by the Beck machine, without taking into consideration the Beck tactics of competition, and the other handicaps which corporations suffer when competing with public ownership. Still another menace which must be faced is the move to get an amendment to the Railway Act to give municipalities control of their streets. This has twice been defeated in the Senate at Ottawa and is to again come before the Commons. It remains to be seen whether the Upper House will be able to hold out against public opinion in maintaining a charter which was granted by the Dominion of Canada. If the Senate capitulates it means that the persecution of the private companies may be carried so far as to prevent them from distributing power within any municipality.

To order the Toronto Power Company off the streets of Toronto, to prevent the Electrical Development Company from transmitting power to the city, and to curtail the development rights at Niagara would evidently be the culmination of the Beck schemes. In the case of the Ontario Power Company there was an easy victory; the company was soon forced into a position where it had to sell. But the Toronto Power people are putting up a much sterner fight to protect their rights, and Beck schemes are encountering serious setbacks.

To Hold Out to the Last

THE FINANCIAL POST learns that even if backed against the wall and prevented from distributing their power, the Mackenzie interests will not necessarily capitulate to Beck. At the present time research work is being carried on looking to the development of new industries in which power may be used. There are some six hundred acres of property in connection with the plant at Niagara, and plans are being considered for establishing there electro-metal and other industries which would operate on the power developed by the Electrical Development Company. This would be along the lines of the developments of the Montreal Power interests at Shawinigan Falls, where a large number of industries have been established.

INVESTMENT MARKETS TEND TO DULLNESS

But General Feeling is One of Bullishness in Ultimate Situation

NOW MARK TIME

Present Period of Quiet is Regarded as Satisfactory Condition Enabling Consolidation of Positions

Investment markets for the time-being are in rather an inert condition. The buoyancy which was in evidence earlier in the year and which resulted, to a certain extent, from the realization that the country was going to get through the uncertainties of the readjustment period without any very serious setback, has now been succeeded by a more matter-of-fact attitude. After all, the readjustment process is bound to be a slow one and stocks and bonds cannot continue to be boomed indefinitely. There must be times and seasons when it is advantageous to mark time and allow reserves to accumulate.

The fact that there have been no serious reactions is a favorable sign and it has been seized upon by the students of the market as an evidence that basically conditions are sound. As a matter of fact, while the public have been investing heavily in Victory bonds, they have not been coming into the general markets to any extent. This is a condition that tends to prevent any large reactions through heavy offerings from weak holders. The supply of stocks is really light, and such declines as come about are met with dullness instead of nervous selling. Fluctuations in the market are mainly dependent on the accumulation of a short interest at one time and later on, the operation of this interest in protecting itself.

Bond Market Dull

Even the bond market which has been pronouncedly active and strong

Continued on page 8

THE POST
THIS WEEK CONTAINS

Page
Canada is Now Buying Less in United States 2
Steel Reduction is not Resulting in New Business 2
Crerar Unfair to the Western Land Companies 3
An Opening For Canada in Irish Linen Industry 3
Canadians Study British Industry 3
Trust Company is Formed by Merchants' Bank 4
Amending the Legislation Re Loan Cos. 4
Labor Commission Will Aid Industry 4
Canada's Wheat and British Millers 4
Unbusinesslike Administration of Alberta 'Phones 4
Deny Newsprint Prices Being Cut 4
Fairbanks-Morse Shows 44.38 Per Cent. on Common 5
Weyburn Bank Has Big Balance in Other Banks 5
Dominion Linens is Operating a Spinning Plant 6
A. Macdonald, and Relations of the Common 6
C.P.R.'s Position Was Maintained During Year 6
Scotia Steel Company Would Mine From Dominion Area 7
Monarch Knitting Dividend Outlook 7
A Canadian U. S. Alliance in Bank Field 8
Experience vs. Training in Banking Field 9
The Claim of the Banker for More Salary 9
Business, Sentiment, and the G.T.R. (Editorial) 10
Finding a Job for the Idle M.P. (Editorial) 10
Bond Market Lapses Into Dull Condition 12
Big Bond Issue For an Eastern Pulp Company 12
Building Costs Not Likely to be Lower 14
Alberta's Acts For Relief of Mortgagors 14
School Houses Are Becoming a Worse Hazard 15

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347

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QUARTERLY DIVIDEND NOTICE No. 114

Notice is hereby given that a Dividend at the rate of THIRTEEN PER CENT. PER ANNUM upon the Capital Stock of this Bank has this day been declared for the quarter ending 30th of April, 1919, and that the same will be payable at the Head Office in this city, and at its branches on and after THURSDAY, the 1st day of May, to Shareholders of record of the 19th of April, 1919.

By order of the Board.

C. H. EASSON,
General Manager

Toronto, March 21st, 1919.

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Edward C. Pratt, General Manager

STEEL REDUCTION IS NOT RESULTING IN NEW BUSINESS

No Great Volume of Buying Has Been Noted as Yet

MAY GO LOWER

Already Talk of Further Cuts in Prices — Present Figures Still 80 Per Cent. Above the Pre-war Level

By A. R. KENNEDY
Editor, "Canadian Machinery"

The reduced prices on steel have been passed on to the trade. It took only a few days to do this, but it is going to take more than a few days to note the effects of the move. Dealers a month ago were saying "What is needed now is something definite to assure the market that nothing will be lost by buying now. If a buyer is considering coming into the market he ought to be given a new price and told that it would last for at least six months. He would then know that nothing was to be gained by remaining out of the market and waiting for better terms." The new schedule of prices gives a lower figure, and it also gives pretty definite assurance that nothing lower can be expected for six months at any rate, but the volume of business resulting from the lower levels has not been such as to warrant the reduction yet. The hope of any reduction is that it will create enough new business to keep the mills near capacity production, which is the lowest-cost time. The farther they depart from this stage the higher the tonnage costs.

What of Costs?

Already the stories start that reductions are likely to come again in three months, and that it will not be possible for prices to hold to the end of the year. Those taking this view base their opinion largely on the fact that present prices are still 80 per cent. above pre-war values covering a period of ten years.

The FINANCIAL POST is able to give here the view of one of the best informed steel men of United States, E. P. Thomas, president of the U. S. Steel Products, which is in the foreign selling agency of the United States Steel Corporation. Regarding the new schedule of prices and the chances of them being lowered he states:

Prices are now at a level from which no reductions can or will be made, and any tendency to further change will be rather upward than downward, and this applies not only to mill prices, but also to freights. So far as our foreign markets are concerned, it may reasonably be assumed that the only competition likely to exist for a considerable time to come will be from Great Britain and the United States, as it would seem beyond the bounds of possibility for any considerable supplies of steel products to be exported from continental Europe at least during the present year, and probably for a long time to come. Present British prices are at least as high as ours, at the respective ports of shipment, and in some cases even higher, and the present labor situation in Great Britain does not warrant the belief that any reduction in labor costs or prices is likely in the near future. In fact everything points to higher wages, reduced hours of labor, and, as a consequence, higher manufacturing costs and prices. The same is true of the shipping situation. Not only has new construction failed to replace, as yet, the tonnage destroyed or otherwise lost during the war, but the cost of construction and operation of shipping has been enormously increased; so much so, that pre-war freight rates can never be restored.

No Lower Costs Possible

So far as competition from other manufacturers in this country is concerned, we do not believe that any lower prices than those adopted March 21st, 1919, are possible so long as present costs of manufacture continue, and as stated by the Industrial Board, "it is fully understood and expected that the present wage rates or agreement will not be interfered with." Not only are the wages paid to the labor engaged in the iron and steel industry and the mining of ore and fuel far higher than before the war, but the cost of transportation of the ore, the fuel and everything else required for the manufacture of iron and steel, as well as of the finished products, has been heavily and permanently increased. In fact, notwithstanding that the present prices may look high as compared with those ruling before the war, they are nevertheless so low, when compared with present costs, that many of the smaller works (whose aggregate production, nevertheless, forms an important percentage of the total) would have to close down should prices go any lower, and there is no prospect of lower costs, either here or in Great Britain, at present in sight.

Future Costs High

In all of the manufacturing countries of the world, continues Mr. Thomas, the cost of living has permanently advanced. Labor is insistently demanding higher wages and less hours. Taxation, in all of the belligerent countries, because of the heavy load of debt incurred or imposed as a result of the war, must in future be many times greater than the heaviest load ever borne by any nation in the past, and this burden of taxation must necessarily be borne by, and will add to the cost of, the production of the future; there is no other possible source, except as regards a comparatively small proportion, from which it can be obtained, and the cost of living, necessitating higher remuneration to labor, has to that extent, been permanently increased, so that wages can never again return to the pre-war level. It will, therefore, be necessary for consumers of, and dealers in, steel products, the world over, to accustom themselves to an entirely new level of values, based upon new conditions, created by the war, rather than upon those which it has destroyed and which cannot be restored.

THREE-CENT POSTAL RATE TO CONTINUE

Little Indication That Example of U.S. Postal Dept. Will Be Followed Here

By Resident Representative

OTTAWA.—In the House the other day a member asked the Government if it was aware that the two cent letter postage rate and the one cent drop letter postage rate are to be restored in the United States on July 1st. If so, was it the intention of the Government to adopt similar letter rates for Canada this year. Hon. Mr. Rowell replied that the knowledge had come to the Government cars; and what was proposed would be made known when the budget speech was made.

The fact that the United States is about to return to the pre-war rate of postage need not necessarily affect Canada, except as an example. The U. S. Government put the low rate in effect on November 2nd, 1917, and it seems to have been a good thing because the post office had a surplus of $19,000,000 last year—about double the largest previous surplus on record; and surpluses over there are not the rule.

The additional cent postage in Canada was not imposed by the post office department; it was a war tax, for which the Minister of Finance was responsible. It produces an extra revenue of about $6,000,000 a year; and $6,000,000 looks good to a Finance Minister who has over $100,000,000 of a visible deficit between revenues and proposed expenditure. It seems extremely doubtful if that particular war tax will be dropped this year. No one has made very much complaint about it, and it does not bear very hard on anyone.

While the post office department showed a surplus of nearly three million dollars last year, when it is recalled that about $6,000,000 of its revenue came from this war tax, it can be seen that it would have had a deficit of about $3,000,000 if the tax had not been on.

Great Britain did not put on a postal war tax, as we did; she increased the rate to three cents straight. The rate in France was five cents, and by the rules of the international postal arrangement, could not be increased for foreign postage. Great Britain has shown no indication of returning to the old rate at present.

While nothing definite will be known until the budget appears, it is not considered probable that the war tax will be removed on stamps.

A HEAVY FALL IN GRAND TRUNK STOCK

The Slump Has Been Steady Since the Beginning of War in 1914

LONDON—Heavy falls in the prices of Grand Trunks have occurred, and every broker in the Stock Exchange is being begged for advice and illumination by clients affected. Some idea of the extent of money involved, and the depreciation since the outbreak of war, this table from the 'Economist" shows:

	Div. %	Issued (mill.)	July 1914	Now	Fall
Guaranteed ..	4	12½	80	50	30
First. pref. ..	5	3½	91	55	36
Second pref. .	5	2½	72	40	32
Third pref. ..	4	7	30½	19½	11
Ordinary	..	22½	13¼	9¼	4

The depreciation during the 4½ years amounts, on the guaranteed stock alone, to about four million pounds sterling, and about a million and a half on the first preference. Neither stock has received any dividend since April, 1917. The Grand Trunk Pacific interest has been duly met, but the 4 per cent. debenture stock, of which over 7 million pounds is issued, has fallen from its pre-war price of 81 to 55½, the drop of 25½ points representing 1¾ millions pounds in money. By far the greater part of all the Grand Trunk and Grand Trunk Pacific dividend-bearing stocks are held in the United Kingdom. These holders certainly have a claim for special consideration, owing to the difficulties that the war produced in the matter of financing, and their spokesmen seem to have some ground for their contention that the treatment accorded of late years by the Government to the Grand Trunk Railway has been anything but generous.

CANADA IS NOW BUYING LESS IN UNITED STATES

February Figures Show the Influence of Exchange Situation

U.S. IMPORTS HIGHER

Canada's Adverse Balance of Trade Was Cut Very Low, But is Still Higher For 8 Months Than Year Ago

By Special Representative

NEW YORK.—A continuance of American buying in Canada, at the high levels of the war months, is the feature of the U.S. Bureau of Foreign and Domestic Commerce's report for February, which is just available. American imports from Canada reached $37,593,000 during February, which is the largest total ever recorded for that month. It represents an increase of $14,836,000 over February 1918 and of $27,439,000 over February 1914.

With February imports the total of American buying in Canada for the eight months of this country's current fiscal year is run up to a grand total of $913,165,000, compared with $764,936,000 for the same period a year ago, an increase of $148,229,000 or nearly 18 per cent. Probably the increase would not be so pronounced were it not that at this time a year ago commerce was restricted by embargoes, and too, freight movements were held in check.

While the bulk of the increased buying in Canada must be attributed to the United States Government's war requirements it is significant that in the four months since the armistice was signed American imports from Canada aggregated $159,000,000 compared with $145,000,000 in the same four months a year ago.

Development of Trade

February business between Canada and the United States over a period of eight years offers the following interesting comparison, as a record of rapid growth in trading relations:

February	Imports From Can.	Exports To Can.	Excess Exports
1912	....$ 7,440,600	$23,343,800	$15,903,200
1913	 8,021,700	33,051,600	25,029,900
1914	 10,154,500	21,322,600	11,168,100
1915	 11,438,000	24,216,300	12,778,300
1916	 13,317,100	37,662,600	24,345,500
1917	 19,360,600	53,841,500	34,580,900
1918	 22,759,800	42,641,200	19,881,400
1919	 37,593,000	40,621,000	3,026,000

U. S. exports to Canada totaled $40,621,000 for February compared with $42,641,200 a year ago. In fact it was the smallest monthly export showing since November 1917. The exchange situation no doubt was a potential influence in checking Canadian buying in this country. The March figures are expected to show a continued falling off due to the premium on the American dollar at Canadian centres, a premium which in the closing week of March reached new high levels, exceeding the high point attained during the height of the war crisis.

Pulling Down Balancee

A satisfactory result of the commerce and trade of February was the increased volume of American purchases in Canada and the decreased volume of American sales to Canada which had the highly satisfactory result (from the Canadian viewpoint) of pulling down Canada's adverse trade balance for the month to $3,028,000. With the exception of the month of November 1917, when for the first time the Dominion actually won for itself a favorable balance on trade account, this is the smallest unfavorable monthly balance to Canada's account in more than eight years of international business.

With imports of $330,079,000 and exports of $583,086,000 Canada's adverse trade balance in this country at the end of the eight months of this country's fiscal year aggregated $253,007,000 against $117,596,000 for the same eight months in the preceding year.

For the eight months ended February 28th the trade between the two countries may be summarized as follows:

8 Mos.	Imports	Exports	Excess Exports
1919	..$330,079,000	$583,086,000	$253,007,000
1918	.. 293,670,000	471,266,000	177,596,000
Inc.	..$ 36,409,000	$111,820,000	$ 75,411,000

Business interests in this country are beginning to take a fresh interest in commercial relations with Canada. "What is this marvellous Canada, our next door neighbor and good friend, that it can come into our market, war times or peace times, and buy from us as no other nation, population unit for population unit?" is a question that was propounded in Wall street the other day.

Astounded at Canada

Truth to tell the people of this country were astounded at the magnitude of Canada's part in the great war. But here is the war ended—more than four months ended and what is Canada doing in this market? Only more and better than ever; that is all.

How does Canada's share measure in America's international trade? Nearly 16 per cent. of American imports during February came from Canada. Six per cent. of American foreign shipments went to Canada. In eight months America did 17 per cent. of her buying abroad in Canada and 13.2 per cent. of American sales to foreign customers were made to Canadians.

PUBLIC OWNERSHIP IN UNITED STATES

Telegraph Rates Up and Railway Rates May Go Still Higher

The public administration of national utilities is proving an expensive proposition in the United States. Despite the important increases which have been made in transportation charges by the railroads there is now talk of a further advance of 10 per cent. if a big deficit is to be avoided. An increase of 20 per cent. in domestic telegraph rates was put into effect on April 1st by Postmaster-General Burleson.

The high-handed manner in which Mr. Burleson has acted regarding the Mackay interests has brought the following statement from the head office of the companies:

Officials of the Postal Telegraph Cable Company in a public statement declare they are undisturbed by the action of Postmaster-General Burleson, and add that, in their judgment, it will not affect the property and prospects of the company. Clarence H. Mackay, formally replying to the charge of the Postmaster-General that he failed to carry out the orders of Postmaster-General Burleson, says that one order involved an increase in rates, which he could not obey, it being in violation of the State laws. The only other order of Postmaster-General Burleson was an order to increase wages, which was done.

Advices from Washington say that Congressman Steenerson, Chairman of the Committee on Post Offices and Post Roads of the next House of Representatives, declares that the authority given by Congress to Postmaster-General Burleson to take over the telegraph lines did not mean the power to discharge officials of the Telegraph Company, and if a demand is made, the House of Representatives will undoubtedly order an inquiry into the act of Postmaster-General Burleson. Representative Steenerson believes that the telegraphs should be returned to the owners at the earliest possible moment.

CANADA GRANTS CREDITS

Steps Taken to Finance Exports to Europe

LONDON.—The Canadian Government has signed agreements with Greece and Belgium, advancing $25,000,000 to each country for the purchase of Canadian goods. It is expected an agreement with France will be signed shortly.

Agreements with Serbia, Poland and Bohemia cannot be negotiated until the Peace Conference defines the boundaries of these countries and guarantees stable Governments.

EFFORT TO STOP A DIVIDEND PAYMENT

Sir Mortimer Davis Appeals in Action Against Jacobs Asbestos Company

By Resident Representative

MONTREAL—The efforts of Sir Mortimer Davis, exercised through the courts to prevent the payment of a dividend of ten per cent. of the Jacobs Asbestos Mining Company of Thetford, Limited, have failed, and an appeal against the judgment that was entered failed also. Sir Mortimer at Montreal, sought to halt payment on the ground that the profits of the company, during the past year, did not justify a ten per cent. dividend. The company submitted in reply an audited balance sheet to show that there was a balance of $150,000 available for the dividend. Sir Mortimer also attacked the regularity of the meeting at which the dividend was declared with the result that another was held last Saturday.

The Judge, in dismissing the application, said he found no irregularity in the declaration of the dividend. When an application for appeal was made and an effort made to suspend the judgment of the Superior Court in refusing an injunction against a dividend payment, this too failed. The court pointed out that they could not issue an interim order of injunction although the practical effect of the paying of the dividend might be to render the final judgment on the appeal ineffectual. The power of the Court was such that it could suspend provisionally an injunction that had been issued, but it did not cover the converse case where the issue of an order of injunction had been refused.

CRERAR UNFAIR TO THE WESTERN LAND COMPANIES

Government's Own Policy re School Lands Open to Criticism

ENCOURAGE SETTLERS

Sales of Department of Interior on Higher Basis Than Those of C.P.R. or Hudson Bay Co.

By Special Correspondent

REGINA—A short time ago Hon. T. A. Crerar, Minister of Agriculture, speaking in Montreal, dealt with the Western land question and intimated that if the landowners—referring particularly to the railway corporations, the Hudson Bay Company and other big holders—continued to maintain their present attitude, which he alleged was retarding settlement, the Government would have to resort to taxation to force sales to settlers. Mr. Crerar's remarks indicated that the Government considered that these landowners were holding up prices on vacant land so high that they were not being cultivated. It may be that Mr. Crerar and the Cabinet members have some information that they have not made public; if so the Minister of Agriculture might very well amplify his statements. Speaking in such generalities as he used, the effect is likely to create an impression which will be harmful in discouraging prospective land buyers.

Investigation of the actual conditions in this connection leads to the opinion that the Federal Government itself is open to criticism in its land policy. The Government controls large areas of land in Manitoba, Saskatchewan and Alberta—especially school lands, sections 11 and 29 in each township. For some time prior to 1918, there had not been any sale of school lands, notwithstanding that the country was settling up and values were increasing with the resident and non-resident owners contributing to all the taxes in the various muncipalities and school districts, while the Government lands themselves were exempt. Early in 1918, the agitation grew to such proportions that Department of the Interior brought on school land sales in some thirty districts. Prior to the sales the lands were inspected by Government agents and reports made to the department on which minimum or upset prices were based. The lands were listed at these prices and sold by auction on terms fixed by the department. In a few cases, lists were issued without prices and at these sales purchasers had to attend to first find out the upset figure. The terms were one-tenth paid at time of sale, balance in nine equal annual instalments with interest at 6 per cent. per annum.

Big Prices Secured

Those experienced in Western farm land values are of the opinion that the results of these sales would indicate that the Government itself, through its agents, had placed abnormally high prices upon school lands. At many points not more than 40 to 60 per cent. of the lands offered were sold. Take for instance, the sale at Kerrobert in June last; 194 parcels were offered and only 66 sold. The highest price realized was $40 per acre. At Delisle, 194 parcels were offered and only 93 sold. The highest price at Delisle was $77.50 per acre and 44 quarter sections brought $30 an acre or more. At Tisdale, less than 7,000 acres were sold at an average of $19.40. At Melfort, less than half the lands were sold at $24.77. At Langenburg, $12.64 per acre was realized. At Sheho, only about half the lands were sold at $15.51. At Wynyard a fair percentage was sold at $19.40. At Shellbrook, less than half sold at $17.53. At Battleford, less than half at $17.88. At Radisson, a good percentage at $22.90. At Wanda, a good percentage at $20.83. At Humboldt, prices were also high and only a small percentage sold at $15.75. At Assiniboia, only 138 parcels out of 241 were sold; 103 at $18 an acre or over and the highest at $40 an acre.

No objection is felt to the Government getting full value for these school lands as the money goes to the various Provinces for school purposes but while the Government is getting high prices for what it sells and exacting harder terms than the C.P.R., it is felt that it is unjust that an agitation should be raised against the companies holding lands. Reports do not indicate that any of these companies are getting $40 an acre for wild land as was secured at Kerrobert and Assiniboia by the Government, or $77.50 as at Delisle, or $56 as at Cupar.

It would certainly help in the settlement of the country if the Government sold the school and Indian lands and other lands under its control at prices to attract settlers with terms at least as low as those offered by private companies. It only means a glance at the average prices secured by the Hudson Bay Company and the Canadian Pacific during the past three years to realize that there is little foundation in the charges that these companies are discouraging settlement.

Patronage in Leases

In connection with the Indian lands there is also complaint that at many points they are being left idle while criticism is directed at the Government regarding the leasing of Indian reserves during the past year. It is alleged that in many cases, if not all, there were no tenders required and, therefore, no public competition. There appears to have been no record of tenders being called for grazing leases and it is alleged that friendly members of Parliament and politicians have been able to secure for themselves and their friends concessions that might well have been sold for greater benefit to the Indians by the Indian Department. Only recently there have been criticisms in the Alberta Legislature of political patronage in connection with the Government land policy.—D. H. McD.

FLOUR ORDERS ARE GOING TO STATES

Canadian Mills Closed, While Business Goes to American Concerns

By J. L. RUTLEDGE
Editor "Canadian Grocer."

No further orders are yet forthcoming for the Canadian flour mills, and though there is still a feeling that such orders may be available in the near future, there is no sound foundation on which to base this opinion. As a matter of fact, business has been turned away from the Canadian mills to those in the United States. American mills are handling British business, while Canadian mills are closed. This is the serious fault that is facing the Canadian milling industry, and it is a very serious fact indeed. Just why this should be is not known, but there is a very strong feeling that in this particular Canada is not getting justice. American mills operating under the present fixed price cannot offer any special inducements for business, so the fact stands out that competing on an even basis the American mills are getting the preference over the Canadian manufacture.

Whether this fact is due to a more aggressive business getting policy on the part of the United States, is not definitely known, but the feeling is growing, that if there is to be a preference shown on an open market, then that preference should favor Canada.

It is understood that representatives of the various Canadian milling interests will visit Ottawa in the near future, and put this matter up to the Government in the strongest possible manner.

The present shut down has been a very serious factor to the mills already, and its continuance is not to be contemplated lightly.

ALBERTA IRRIGATION

Progress on Organization to Back Big Scheme

LETHBRIDGE.—Reports from the country within an eighty-mile radius of Lethbridge brought to the meeting of the executive of the Irrigation Development Association, indicated that the local organizations that have been established have expresed themselves with the same concentrated determination that was so much in evidence at the mass meeting held here on March 13. The farmers in the Lethbridge-Northern project are going right ahead with the organization of their district, and in the country south and east of Lethbridge the various locals are clear and distinct in their demands that the surveys commenced by the Dominion Government should be continued expeditiously.

HOTEL FOR WINDSOR

United Hotels Company May Erect One in Border City

President Dudley, of the United Hotels Company, and George H. O.Neill, manager of the King Edward Hotel, held a conference at Windsor this week and discussed the erection of a large hotel there. Speaking to the "Toronto Star" on his return, Mr. O'Neill said: "The idea of building a hotel there was that of the Border Chamber of Commerce, which includes the cities of Windsor, Walkerville, Ford, Sandwich and Ojibway. It would be operated under the United Hotels Co., and if built, will be a 200-roomed hotel." Mr. O'Neill stated that the building of the hotel was still under discussion, and no decision had yet been made.

AN OPENING FOR CANADA IN IRISH LINEN INDUSTRY

A Big Future is Foreseen in Market For Canadian Flax

SEED IS SUCCESSFUL

Shortage of Continental Supplies Provided the Opportunity and Prejudice Was Soon Successfully Overcome

By Resident Correspondent

LONDON. — Among the achievements of war, the linen industry of Ireland has to its credit the wonderful organization of Belfast looms for the production of aeroplane linen. Since the beginning of war about four-fifths of the entire output of weaving factories has been absorbed by the British Air Services. The organization, labor and machinery were forthcoming to supply the cloth in sufficient quantities, but the devastation of flax growing countries of Belgium, and of Northern France, the subsequent disturbances in Russia, and the inability of Ireland to produce anything like enough for her needs, made the problem of obtaining raw material one of great difficulty.

The rapidly disappearing stocks, of insufficient acreage under cultivation in Ireland, and of scarcity of flaxseed with which to help matters out was bringing the Government face to face with a linen famine. Canada, however, was at hand to meet the situation, and Canadian seed was promptly introduced into Ireland.

Canadian Seed Makes Good

Prior to the war there had been a prejudice against the use of Canadian seed amongst Irish flax growers, due principally to conservatism and of old-time usages of a well-established market for Dutch, Belgian and Russian seed. Once the ice was broken, however, Canadian seed was not long in making itself a favorite. It rapidly left the experimental stage behind, and so successful were the sowings of 1916, that in 1917 the entire Canadian crop was bought up.

The next year, 1918, the process was repeated, but Ontario was by this time fully alive to possibilities of business. Her production was increased by almost one-third of the previous year's supplies. For the 1919 sowings, it is stated that half the total seed used will be Canadian.

The high quality of seed is attributed to the fact that only "Dutch Child" is used, or, in other words, the Canadian seed is only once removed from the parent plant of Holland. The opinion universally held in the North of Ireland is that Canadian flax has a great future before it so long as the quality is maintained at the present high level, and the price is competitive. It is now £2 a bag cheaper than the Dutch, and the plant grown from it has more vitality.

Possibilities of Industry

Flax growing in Ireland is at the best of times a speculative undertaking owing to the uncertainty of the climate. The question is now being asked on all sides why Canada should not grow her own flax and make a bid for the European market.

Next year there is likely to be lively competition if Russia revives and places her crops on the market, and possibly Dutch seed will be again plentiful. Japan also has considerable quantities under cultivation, and merits the attention of the European market.

SCRAP METALS MARKET

Big Sales of Shell Steel Reported at Toronto

The first large deal in scrap metal for a long time made its appearance during the week, when a fairly large tonange of shell steel was disposed of to Toronto yards. We understand that a sale of some 40,000 tons took place. Of course there is a much larger amount of this material in the country, but a lot of it is to be shipped to England. It is the property of the Imperial Munitions Board, and as far as can be learned a large amount of it will be shipped very shortly. First reports of the sale here had it that 100,000 tons were involved, but later reliable figures give the amount sold to Toronto scrap metal interests at 40,000. No price was named, but it is likely that the figure was in the neighborhood of $11. There is still a large amount of shell scrap in the country, but the disposition of this rests with the American Ordnance Department, and although several deals have been under way, nothing definite has been done in disposing of the material.

DULUTH-SUPERIOR

The Duluth-Superior Traction Company reports gross earnings for the week ending March 21, amounting to $36,461, against $33,211 for the corresponding period of 1918, a gain of $3,250, or 9.8 per cent. For the year to date the earnings amounted to $397,095, an increase of $27,849, or 7.5 per cent.

MORTGAGE ASSOCIATION

E. M. Saunders Elected President For the Coming Year

At the annual meeting of the Canadian Mortgage and Investments Association held on Friday last, reports of the proceedings of which appeared in THE FINANCIAL POST of last week, resulted in the election of the following officers: Honorary president, A. D. Langmuir; president, E. M. Saunders, Canada Life Assurance Company, Toronto; first vice-president, A. E. Holt; second vice-president, W. E. Long; executive committee—life insurance section, J. J. Macdonald, J. F. Weston, J. B. McKechnie, Charles Ruby; trust company section, J. C. Breckenridge, S. C. Macdonald, A. D. Langmuir, J. K. Pickett; loan company section, Joseph Campbell, Hume Cronyn, A. B. Fisher, Alfred Whitman. John Appleton, secretary-treasurer.

The annual meeting of the British Columbia branch of the organization will be held during the latter part of this month and will be attended by Mr. Appleton, representing the Dominion Association.

CANADIANS STUDY BRITISH INDUSTRY

Military Officers Act as Delegates on Tour of Federation of Industries

LONDON.—The aspirations and activities of the Federation of British Industries which has for its object the co-ordination of all branches of industry within the Empire were the subject of an interview between the FINANCIAL POST and Edmund L. Hill, the general secretary of the Federation.

The Federation was formed a little over two years ago with the object of bringing into closer touch and fostering a more cordial relationship between the manufacturer, the worker and the trades generally whilst advancing the interests of British Commerce throughout the world. Its membership now numbers 163 associations, 15 controlled associations, and 822 firms, which, it is claimed, represent directly and indirectly 20,000 manufacturing establishments, having a total capital of between four and five million pounds sterling.

Overseas Trade

A special department is now in the process of formation which will send out its own ambassadors to all the principal trade centres. In each market, a Commissioner is to have his own local Federation of British Industries which will work as a subsidiary federation. These representatives have not yet been definitely appointed, but in every case they will be men who understand the local markets and have a sound experience of the peculiarities and customs of trade in the area allotted for their activities. Questioned on the subject of Canada, the reply was that it will be a man who "knows his Canada." In the case of Canada, of course, each province would call for special treatment on its own merits.

Now in England

For the purpose of propaganda the Federation have invited a number of representatives of the Canadian Expeditionary Force, all connected with commercial enterprises in Canada, to visit before they return home, some of the chief manufacturing centres in this country. The following are the names of the delegates together with the trade interests they represent:

Major S. T. Layton, 2nd Can. Hvy. Btty., Consulting Engineer; Capt. E. V. McKagne, C. C. Cyclist Batt., Civil Engineer, Toronto Harbor; Major G. H. Sherrer, D.S.O., 3rd Bgde., C.F.A., Electrical Engineer; Capt. F. H. Dainham, M.C., 44th Batt., representative large wholesale importers and manufacturers Textile Goods; Capt. A. S. Brown, 59th Batt., Textile Manf. Agent.; Lieut. W. B. Scott, Bordon, mechanical engineer; H. Capt. and O. M. W. Hogg, Etchinghill, Mechanical Engineer and Contractor; Capt. W. Stevens, 4th Res. Batt., Witley, Electrical Engineer; Capt. N. Franks, M.C., 21st Res., Batt., Bramshott, N. Alta. Rep. for Canadian Allis-Chalmers and Can. Gen. Electric Co.; Lt.-Col. W. B. Worsnop, D.S.O., 1st Res. Batt., Seaforth, Manufacturer and Salesman of Machinery; Lt.-Col. D. S. Ellis, D.S.O., Major W. H. McGhee.

BIG HALIFAX GROCERY

Wentzells, Limited, Had a Turnover of $1,850,000

By Special Representative

HALIFAX. — Wentzells, Limited, one of the larger retail grocery houses in the Dominion held its annual meeting this week. The company reported a gross turn-over of $1,850,000, net profits of $65,500 and the usual dividends of 7 per cent. on the preferred stock and 3 per cent. on the common. were paid. An amount of $3,500 was contributed to various patriotic and philanthropic purposes during the year and $1,000 was voted to the Salvation Army drive at the meeting. Ten thousand dollars were invested in Victory bonds. The old board of directors was re-elected. John W. Regan is the president and H. W. Wentzell the general manager.

Banking Service

The attention of manufacturers is drawn to the excellent facilities this Bank offers in all branches of a complete banking service.

A good banking connection is an essential to the success of the manufacturer or merchant.

THE CANADIAN BANK OF COMMERCE

Capital Paid Up, $15,000,000. Reserve Fund, $15,000,000

THE ROYAL BANK OF CANADA

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With our chain of 560 Branches throughout Canada, Newfoundland, the West Indies, Central and South America, we offer a complete banking service to exporters, importers, manufacturers and others wishing to extend their business in these countries. Trade enquiries are solicited. Consult our local Manager or write direct to our FOREIGN DEPARTMENT, MONTREAL, QUE.

CAPITAL PAID UP & RESERVES - - $30,000,000
TOTAL ASSETS OVER - - - - - $420,000,000

The Weyburn Security Bank

Chartered by Act of the Dominion Parliament.
NINETEEN BRANCHES IN SASKATCHEWAN
HEAD OFFICE, - WEYBURN, SASK.

DIRECTORS:—Alex. Simpson, Pres., Minneapolis, Minn.; Jos. Mergens, Vice-Pres., Weyburn, Sask.; J. A. McBride, Weyburn, Sask.; Frank Moffet, Weyburn, Sask.; H. N. Morphy, Weyburn, Sask.; S. E. Oscarson, White Rock, S.D.; N. D. McKinnon, Weyburn, Sask.; H. O. Powell, Gen. Mgr., Weyburn, Sask.

A General Banking and Foreign Exchange Business Transacted.

THE HOME BANK OF CANADA

"Practising economy is doing without what you only think you want."

Branches and Connections Throughout Canada
HEAD OFFICE AND EIGHT BRANCHES IN TORONTO

THE BANK OF TORONTO

INCORPORATED 1855

Paid-Up Capital, $5,000,000 Reserve Fund, $6,625,623

DIRECTORS:
W. G. GOODERHAM, *President* J. HENDERSON, *Vice President*
William Stone, John Macdonald, Lt.-Col. A. E. Gooderham, Wm. I. Gear,
J. L. Englehart, Brig.-Gen. F. S. Meighen, Paul J. Myler,
A. H. Campbell, W. R. Bawlf, John I. McFarland.
THOS. F. HOW, *General Manager* JOHN R. LAMB, *Asst. Gen. Manager*

SERVICE

In addition to providing unexecelled banking facilities for our customers, we give assurance of that perfect attention to detail, accuracy of work and courteous treatment, which combine to make a satisfactory banking service.

Your banking business invited.

BANKERS:
NEW YORK—National Bank of Commerce. CHICAGO—First National Bank. LONDON, ENG.—London Joint City and Midland Bank, Limited.

Please Ask Questions

If you, as a subscriber to THE FINANCIAL POST, desire information on any Canadian security, or other financial matter, you have the privilege of requesting it from the publishers of THE POST. Enquiries are treated confidentially and are answered by mail. Please enclose stamp for reply.

TRUST COMPANY IS FAVORED BY MERCHANTS BANK

"Bankers Trust Co." Will Open Up Shortly in Montreal

SEVERAL PRECEDENTS

New Issue of Stock of $1,400,000 at $150—Price on the Exchange Reaches a New High

By Resident Representative

MONTREAL. — Following closely upon the announcement of a new issue of stock of $1,400,000 by the Merchants Bank, THE FINANCIAL POST is able to state that very shortly the bank will introduce to the public a new Canadian trust company, under the title of the Bankers' Trust Company. The offices will be in the portion of the present head office building in Montreal opening on St. Peter street. The manager will be James Elmsly, until recently secretary of the Prudential Trust Company, and formerly holding a prominent position with the Bank of British North America.

The formation of the trust company in close affiliation with the bank follows the practice of several other large banks in Canada. Two of the most notable precedents in Montreal are the Royal Trust Co., affiliated with the Bank of Montreal, and the Montreal Trust Company, owned by the Royal Bank. In Toronto the National Trust Company works closely with the Canadian Bank of Commerce.

There is a natural diffidence among banks in handing over business to an outside trust company that it cannot legally or practically attend to itself in connection with "trust" affairs. Such transactions as loaning money on real estate is prohibited for Canadian banks, and a great volume of business opens up that could be transferred readily to a trust company that was operating in close relation to the bank. The one develops business for the other: the same clients do business with both. It is understood that incorporation of the Bankers' Trust Co. will soon be announced.

For the present it is understood that no attempt will be made by the head office of the Merchants Bank to take possession of the Nordheimer property acquired next door on St. James St., as many of the leases have fairly long terms before they expire.

The new issue will increase the capital stock from $7,000,000 to $8,400,000, and leave $1,600,000 authorized but unissued of the $10,000,000. This new stock will be allotted pro rata on the basis of one share of new stock for each five shares now held at a price of $150, and will be available for shareholders of record on the company's books as at April 30 next. A number of sales this week of small lots indicated a making-up of five share lots. The stock reached a new high of 192½ during the week as compared with a high of 181 in 1918 and a low of 167.

DIVIDENDS

Marcus Loew's Theatres Limited

NOTICE IS HEREBY GIVEN that a dividend of 1¾ per cent. for the quarter ending 31st March, 1919, being at the rate of seven per cent. per annum, on the preference and common shares of Marcus Loew's Theatres Limited, has been declared payable on the 15th April, 1919, to shareholders of record on 31st March, 1919.

By Order of the Board.

SAMUEL D. FOWLER,
Secretary.

Nova Scotia Steel and Coal Co., Limited

DIVIDEND NOTICE

A DIVIDEND of Two per cent. (2%) on the Preferred Stock and One and One-quarter per cent. (1¼%) on the Ordinary Stock of the Company for quarter ending March 31, 1919, has been declared payable on the 15th of April, 1919, to shareholders of record at the close of business on March 31st, 1919.

By order of the Board,

THOMAS GREEN,
Cashier.

New Glasgow, Nova Scotia,
March Twentieth, 1919.

Dominion Steel Corporation Limited

NOTICE OF
PREFERENCE SHARE DIVIDEND
No. 29

A QUARTERLY Dividend of One and One-half per cent. on the Preference Shares of the Dominion Steel Corporation, Limited, has been declared, payable 1st May, 1919, to Shareholders of record on 15th April, 1919.

The Transfer Books will be closed from 16th April to 1st May, 1919, both days inclusive.

By order of the Board of Directors,

C. S. CAMERON, Secretary.

Montreal, April 2nd, 1919.

The Merchants Bank of Canada

QUARTERLY DIVIDEND

NOTICE is hereby given that a dividend of Two and Three-Quarters per cent. for the current quarter, being at the rate of Eleven per cent. per annum, upon the Paid-up Capital Stock of this Institution, has been declared, and will be payable at its Banking House in this city and at its Branches, on and after the 1st day of May next, to Shareholders of record at the close of business on the 15th day of April.

ANNUAL MEETING

The Annual General Meeting of Shareholders, for the election of Directors and other general business of the Bank, will be held at the Banking House, in the City of Montreal, on Wednesday, the fourth day of June next. Chair will be taken at 12 o'clock, noon.

By order of the Board,

D. C. MACAROW,
General Manager.

Montreal, 31st March, 1919.

Dominion Textile Company Limited

NOTICE OF DIVIDEND

A DIVIDEND of one and three-quarters per cent. (1¾%) on the Preferred Stock of the DOMINION TEXTILE COMPANY, LIMITED, has been declared for the quarter ending 31st MARCH, payable APRIL 15th to shareholders of record MARCH 31st, 1919.

By order of the Board,

JAS. H. WEBB,
Secretary-Treasurer.

Montreal, 3rd March, 1919.

LABOR COMMISSION WILL AID INDUSTRY

Manufacturers Welcome Any Practical Move to Bring Capital and Labor Together

The proposal of Canada's Minister of Labor for a commission to bring capital and labor closer together will be welcomed by Canadian manufacturers in general. It is quite in keeping with the policy which has been adopted by the Canadian Manufacturers' Association and by broad-minded individuals employing labor.

The Manufacturers' Association, as previously reported in THE FINANCIAL POST, has appointed eight committees under a central body to bring industrial and labor interests throughout Canada together in a practical way for the consideration of mutual interests. So far as can be applied to Canada this plan embraces the ideas upon which the Whitney councils have been appointed in England.

DENY NEWSPRINT PRICES BEING CUT

London Despatch Declaring Paper Being Dumped on English Market is Questioned

By Resident Correspondent

LONDON.—It is now known that during the past few weeks contracts for cheap newsprint have been placed in the hands of American firms. A large amount of the stuff to be supplied by these firms is said to be manufactured from Canadian pulp. This arrangement has brought into conflict the interests controlling the best paper mills in this country, and manufacturers do not intend to be knocked out of the market by Americans cutting the prices.

With a view to stopping the importation of this class of paper agreements have been entered into for monopolizing a great amount of the available tonnage sailing from American ports during the next two or three months. The extent to which the monopoly has been secured is not yet definitely known, but it is almost certain that the object of the promotors of this scheme will have been achieved.

Newsprint is being sold in New York at the present time at 1½d. per lb., which would enable American makers to put it on the market in London at 2d. per lb.

With regard to the export from Canadian ports of both pulp and newsprint it has to be borne in mind that the St. Lawrence river is closed at the present season. Nothing is known of this movement at the office of the Canadian Trade Commission at the time of writing.

When shown the foregoing despatch, Canadian paper manufacturers declared that no paper is being sold at 1½d. per lb. Freights are $25 a ton, which would run the price over 2d. on the English market. As for tonnage, no United States paper can go to England until May 1. Further, what, they ask, has the closing of the St. Lawrence ports to do with the shipment of pulp or paper from Canada, or how could British mills monopolize space from American ports? The feeling is that the Government in England was forced to allow Canadian newsprint into British papers, but played up to the mills there by cutting down space from 50 to 25 per cent. of the total available for all commodities.

UNBUSINESSLIKE ADMINISTRATION ALBERTA PHONES

Sharp Criticism Offered in the Provincial Legislature

NO DEPRECIATION

The Telephone Superintendent Tells the Edmonton Board of Trade Some Plain Truths

EDMONTON.—The administration of the telephone system of the Province of Alberta has come in for some sharp criticism from the member for South Edmonton in the Alberta Legislature, Howard Crawford. According to Mr. Crawford a most unbusinesslike method is in operation under provincial management, as although the system is valued at over $10,000,000 not one dollar has been set aside for depreciation. The Government, Mr. Crawford stated, argues that the system is being kept up to the standard and hence no fund to cover depreciation is required. This principle of a fund for depreciation is in active practice in the case of privately owned and operated telephone systems, and is regarded as a principle that should be familiar to a tyro in business. Yet, with the very considerable amount of money at stake in the provincial plant, the Government, with the easy, unbusinesslike methods that characterize so many public ownership undertakings, neglects to set aside a single dollar to meet steady depreciation in the property it controls.

To illustrate the need of a depreciation fund it is not necessary to travel beyond the limits of the Province of Alberta itself, nor beyond the capital, Edmonton. At the same time that a M.P.P. was pointing out the inadequate administration of the telephone department by the Province, the superintendent of the municipal telephone department, J. E. Lowry, was addressing the Board of Trade and astonishing the members by a recital of the tremendous depreciation in the comparatively new civic 'phone system, a three-line automatic one.

City's Position

That city, he pointed out, had a local system for which debentures to the extent of $1,916,710 has been issued. Just ten years ago the city installed its automatic system, and numerous extensions and improvements have been made ever since. Now, the superintendent declares that it would be best for the city to scrap this whole system, and install a two-wire system in its place. If it were attempted to unite new with old the result would be that in a few years there would be all the more to scrap. The new outlay to bring the system up-to-date he estimates at $1,021,723. To meet this there is a sum of $200,000, partly of unexpended capital, and partly of a depreciation fund—Edmonton was not as prodigal as the province, it would seem. This leaves a balance of $821,723 to be secured by a new capital issue. The superintendent estimates that the city could receive about 15 per cent. of the original cost for the apparatus discarded; there is an offer on hand to pay $35,000 for it.

Depreciation Needed

To what an extent it is necessary to provide constantly in a telephone system for a depreciation fund to replace apparatus that is steadily becoming obsolete is brought out by a statement of Mr. Lowry, himself an official of a municipal system. He told the Board of Trade: "The company which manufactures the present system state that they are not prepared to supply even the ordinary lines of the present type, due to the fact that development is now along different principles and their factory has been remodeled to supply only the newer type of equipment in large quantities." In reference to this Mr. Lowry adds that even assuming that it were possible to purchase the old type in sufficiently large quantities there could be little difference in the cost, "and, of course, the more of such that is added to the present system all the more would there be to junk eventually."

Mr. Lowry intimated that such renewal would mean a large increase in the rates.

That the province is mixed up even more than the absence of a depreciation account would indicate, is seen by a further charge of Mr. Crawford. He declares that the province put $445,070 of its small sinking fund into telephone bonds, and the telephone utility sinking fund itself amounts to only $231,069 on a ten-million dollar system, or $214,019 less than the amount of the provincial sinking fund invested in the telephone bonds.

THE CHANNEL TUNNEL

Great Tube and Zuyder Zee Dyke to Go Forward

By Special Representative

LONDON.—Simultaneous with the construction of the Channel Tunnel the world will see another great engineering enterprise, the building by Holland of the great dyke across the Zuyder Zee. The cost of this undertaking will run into £20,000,000. It will be designed to carry two lines of railway and a broad roadway, and will reclaim from the inland sea land enough for nearly five thousand farms of one hundred acres each.

French representative officials have announced that they are ready to start work on the Channel Tunnel, and eager to perform their share in the undertaking.

CANADA'S WHEAT AND BRITISH MILLERS

Old Country Organization is Anxious to Co-operate With Canadian Producers

By Resident Representative

LONDON.—Discussing the question of industrial co-operation within the Empire, Sir George Makgill, secretary of the British Empire Producers' Organization, drew the attention of THE FINANCIAL POST to the lack in the past of mutual understanding between the Canadian wheat producer on the one side of the Atlantic and the milling interests on the other. The time now appeared to be ripe for helpful conferences on such questions as the "grading" of wheat, and mixing at the elevators. Inland millers and port millers in the Old Country have combined themselves into a solid organization, and are anxious to meet and co-operate with Canadian producers and agriculturists on an Imperial basis.

Although endeavors are being made to promote these intimacies, no definite arrangements have yet been arrived at.

NEWSPRINT MILLS ASSURED OF PRICE

Will be Some Time Yet Before Control is Relinquished and Market is Back to Normal

By Resident Representative

The decision of the Federal Trade Commission not to reopen the inquiry in the United States as to the price of newsprint will mean the maintenance of the price as it is now fixed, $75.05 a ton until three months after the signing of peace, when it is expected that all control of newsprint in the United States will be relinquished by the Commission. Then the market would return to normal conditions based on supply and demand, and the newsprint mills feel that this will mean at least as high prices as they have been receiving for months past. As about 90 per cent. of the Canadian output of newsprint is sent to the United States, the decision will be important for Canadian mills, as while there was a chance that the Commission would have increased the price after reinvestigation, there was also the liability of a reduction taking place.

F. N. BURT

Burt common has continued to show strength this week, touching a new high point at 90. The preferred sold at 95-95¼.

GENERAL ELECTRIC

The strength which appeared in the market for Canadian General Electric coincident with the appearance of the annual statement has continued and sales as high as 105 have been recorded. The figure was down to 101½ a fortnight ago.

ASBESTOS CORPORATION

In connection with the strength displayed in the market for Asbestos issues, dividend hopes seem to be behind the advances. At the present time, the dividend rate on the common is 5 per cent. per annum and that on the preferred is 6 per cent.

The situation as regards the preferred at the present time, is rather different from that which applies to the majority of preferred stock issues in that it is participating, but non-cumulative, ranking equally with the common stock in the matter of dividends after 5 per cent. has been paid on the common. The senior stock is preferred, as assets and dividends hold equal voting power with the common stock.

This is taken as indicative that any further dividend increases which the directors may decide upon, will probably affect the preferred to as great an extent as the common stock, if not more so.

KING EDWARD HOTEL

The net earnings of the King Edward Hotel under United Hotel management for eleven months to February 28th, 1919, after providing for bond interest, taxes and depreciation on inventories, amount to $112,266.79, and it is estimated that for the full twelve months ending March 31, 1919, they will exceed $125,000.

The directors of the company have decided to declare an initial dividend on th common stock of the company of five (5) per cent. out of the profits available to February 28 last, which will be paid April 21, to shareholders of record April 10, on which date the transfer book will close.

AMENDING THE LEGISLATION RE LOAN COMPANIES

Practical Ideas Should Be Incorporated in the Act

THE 15 P.C. CLAUSE

Better to Hold a Lot of Stock in a Good Trust Company Than Securities of a Number of Weak Propositions

The debate in the Legislature this week on the Bill to amend the Loan Corporations Act afforded evidence of how uninformed legislators are on questions of vital interest to the public about which they do not hesitate to make laws.

This proposed legislation should be an effort on the part of the Government to satisfy the natural and legitimate desire of the investing public. THE FINANCIAL POST has outlined a remedy in the proper administration of the present law, and in the simplification of the return required from the corporations rather than in amendments to the Act and the requirement of a voluminous and complicated statement which no one but the most expert accountant can understand.

When for years the returns made by the company, whose failure is the excuse for this tinkering with the Act, showed that it had not received from its investments a sum sufficient to even pay its salaries, its unsound condition was manifest to anyone making even the most superficial examination of its statements. Nothing in the Bill now before the Legislature will in any way remedy a condition of this kind. What is required is the appointment of a superintendent of loan corporations, who should have experience in loan company management, and whose duty it should be to see that the ample provisions of the present law for the protection of those interested are enforced. Such an appointment would be welcomed by the companies themselves, whose directors and officers are as deeply interested as any class of the public in seeing maintained the high reputation this class of institutions has so long enjoyed.

Any practical loan company manager could suggest half a dozen or a dozen questions which would get immediately at the marrow of the company's true condition. But, as the public seldom read their official returns, it must be the duty of a qualified official of the Government to carefully and closely scrutinize them for the discovery of what they disclose.

A clause in the amending legislation provides that no corporation shall own more than fifteen per cent. of the capital stock of any other company. This is intended to prevent investments being made in speculative companies. But it will also prevent a loan corporation owning and controlling an affiliated trust company, a practice which in the past has been encouraged by our Governments, and we submit for good reasons.

"Long since many of the shareholders and customers are the loan corporations and of the banks, having confidence in the institutions with which they were already in confidential relationships, expressed the desire to appoint these institutions as the executors of their estates and to employ them in various trustee capacities," argues a loan company official. "Their charters did not permit this, but the banks were permitted by the Dominion to have associated trust companies, and the Ontario Government allowed the loan companies to establish subsidiary trust companies. This has been the practice for fifteen years, and we have never heard of a suspicion that it has been anything but beneficial to all concerned. A trust company's powers of investment are more restricted than those of a loan corporation, so that an investment in trust company stock should be one of the safest it can possibly make. Surely it would be more advantageous to hold ninety or one hundred per cent. of the stock of a trust company than to hold fifteen per cent. of the stock in six or seven concerns building or operating unprofitable railways, speculating in vacant lands, etc. Yet, the safe course is prohibited and the door even yet left open to the speculative investment, with all its temptations to misrepresentation and dishonesty."

NOVA SCOTIA TRAMWAYS

At the annual meeting of the shareholders of the Nova Scotia Tramways and Power Company E. A. Robert, of Montreal, and all the old directors excepting three went on the board. A new board, representing largely the Boston and New York interests in the company, was elected as follows: W. H. Covert, K.C., Halifax; H. R. Mallison, Halifax; F. B. Adams, New York; F. P. Boyce, New York; M. I. Sperry, Boston; L. B. Buchanan, Boston; W. C. Crawford, Boston; M. M. Phinney, Boston, and Royce Ernst, Boston.

New York funds are selling at a high premium. Holders of securities saleable in New York, such as Anglo-French 5%, United Kingdom, 5½, should seriously consider sale of these securities and reinvest in long term Canadian issues.

Write us for Suggestions.

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Nova Scotia Steel and Coal Company, Limited and Subsidiary Companies

ANNUAL MEETING

Annual Statement for Fiscal Year to December 31, 1918

The Annual Meeting of Nova Scotia Steel & Coal Company, Limited, was held at the Head Office of the Company at New Glasgow, N.S.

Col. Thomas Cantley, chairman of the Board of Directors, presided and there was a large attendance of shareholders. In moving the adoption of the Annual Statement for the year 1918, Col. Cantley referred particularly to the changes in the directorate and management during the past year. He spoke very highly of the new president, Mr. D. H. McDougall, a native of Nova Scotia, an engineer of repute, who was recognized throughout Canada as a man of energy, ability and executive capacity of a high order. He congratulated the Company on securing Mr. McDougall's services, particularly in view of the present unsettled conditions of affairs, and asked the shareholders to give him the same measure of confidence and ungrudging support which during many past years had been given to himself.

He referred also to the sudden death of Mr. MacKelvie in August last, and expressed his personal appreciation of the services he had rendered the Company while he was associated with the Board.

In seconding the adoption of the report, Mr. McDougall stated it was impossible to forecast the course of business during 1919, but that it was to be hoped that when a satisfactory peace treaty had been concluded conditions would be restored and the steel markets, along with other business, would revive and that the Scotia Company would expect and endeavor to obtain its share of the business which would, no doubt, offer.

Continuing, Mr. McDougall said: "As to the collieries, the greater portion of the production is usually consumed at the Steel Works, under conditions of normal operations, and while at present the demand for coal is limited to the domestic supply and the transportation and manufacturing requirements of the Province, we fully expect that when the Steel plant is in operation, its requirements, together with the local demands, and the greater quantity of coal required for transportation uses, under improved business conditions, will keep our mines fully occupied.

"I also believe that the present demand for coal is not representative and that consumers are depending largely on coal which had been stored in expectation of conditions similar to those which prevailed in the winter of 1917-1918. The mild weather, and the conclusion of hostilities have lessened the anxiety of large consumers as to coal supply and they have made free use of their stocks of coal.

At the ore mines, very good progress has been made since the new haulage slopes have gone into operation and about 1,000 tons of ore are now being raised daily. As, owing to the shipping situation, it is improbable that any considerable tonnage of ore can be sold for delivery in 1919, either to Europe or the United States, it is proposed, in order to continue the development of the mine, that we can store a considerable quantity of ore at Wabana during the year.

"Since the commencement of the war the Company has lost by war or marine disasters four of its long-term chartered steamers, and has at the present time one steamer under time charter of 8,000 tons deadweight. The steamer 'Watuka', the last boat built by the Company, has been retained to the Company's service. We purpose, as soon as conditions warrant, to enter the market and charter or purchase ship tonnage we require for our coal and ore trade. The high cost of shipbuilding makes it inadvisable to do this at the present time and we must wait a reduction in the cost of shipbuilding before we can hope to replace the number of ships we have lost.

"It is unnecessary for me, I think, to assure you that your officers are following the changing conditions of business from day to day, not only in Canada, but in Europe and the United States and advantage will be taken of every opportunity to strengthen the Company's position and forward the interests of the shareholders."

The Board of Directors were unanimously re-elected, as follows:

J. W. Allison	**D. H. McDougall**
G. S. Campbell	**J. C. McGregor**
Thos. Cantley	**R. M. McGregor**
R. E. Chambers	**T. S. Rogers**
W. H. Chase	**F. W. Ross**
Smith Galen	**W. D. Ross**
W. Hinckel	**Frank Stanfield**
D. C. Jackling	**L. Stone**
	Lorne C. Webster

At a meeting of the Directors, held at the close of the Annual Meeting, D. H. McDougall was elected President and W. D. Ross, Vice-President.

BALANCE SHEET, 31st DECEMBER, 1918

ASSETS

Mining Properties, Retal Estate, Buildings, Plant Machinery and Equipment, Less Depreciation			$23,229,766.27
Company's own Bonds Purchased for Sinking Fund			86,937.09
Deferred Balances Receivable on Houses Sold			67,404.28
Current Assets—			
Inventories		$3,158,661.06	
Accounts and Bills Receivable (less Reserve)		2,793,826.99	
Dominion of Canada Victory Bonds		2,025,133.56	
Call Loans		963,581.87	
Cash in Banks and on deposit		2,527,624.88	
			11,468,828.36
Deferred Charges to Operations—			
Commission and Discount on Securities issued, less amounts written off		300,000.00	
Development Expenditures, etc.		72,563.65	
Insurance and Steamers hire prepaid		63,417.71	
			435,981.36
			$35,288,917.36

LIABILITIES

Capital Stock—			
Eight per cent. Cumulative Preference—Authorized and Issued—10,000 Shares of $100 each		$1,000,000.00	
Ordinary—Authorized and Issued—150,000 Shares of $100 each		15,000,000.00	
			$16,000,000.00
Six Per Cent. Cumulative Preference Stock of the Eastern Car Company, Limited			750,000.00
Note—Dividends paid on this Stock up to Dec. 31, 1916.			
Bonded and Debenture Debt—			
Five per cent. First Mortgage Sinking Fund Gold Bonds due July 1, 1959—authorized	$6,000,000.00		
Less—Redeemed by Sinking Fund	308,580.02		
		5,691,419.98	
Six per cent. First Mortgage Sinking Fund Gold Bonds of the Eastern Car Co., Ltd., due July 1, 1952	1,000,000.00		
Less—Redeemed by Sinking Fund	44,600.00		
		955,400.00	
Six per cent. First Mortgage Bonds of the Nova Scotia Land Co., Ltd., due July 1, 1924	$ 50,000.00		
Less—Redeemed by Sinking Fund	27,200.00		
		22,800.00	
Six per cent. Mortgage Debenture Debt		4,500,000.00	
			11,169,619.98
Current Liabilities—			
Accounts and Wages payable		$ 883,654.86	
Interest Accrued on Bonds and Debenture Stock		312,595.22	
Dividend on Preference Stock payable January 2, 1919		20,000.00	
Dividend on Ordinary Stock payable January 2, 1919		187,500.00	
			1,403,750.08
Deferred Credits Income			471,240.00
Reserves—			
For Relining Furnaces, Coke Ovens, Renewals, etc., and for Business Profits and Income Taxes to December 31, 1918		340,727.64	
For Car Contract and Shipping Contingencies		536,995.12	
General Reserve		2,000,000.00	
			2,877,722.76
Surplus as per attached Statement			2,616,584.54
			$35,288,917.36

CONSOLIDATED STATEMENT OF PROFIT AND LOSS ACCOUNTS FOR THE YEAR ENDING DECEMBER 31st, 1918

Combined Profits from Operations, after deduction of Maintenance and Renewal Expenditures, and after making provision for fall in inventory values, but before deducting Depreciation and Interest Charges, etc.		$ 3,535,525.48
Deduct—Proportion of Commission and Discount on Securities written off, provision for Depreciation, Business Profits, War Tax, Patriotic Contributions, etc.		1,206,968.87
		$ 2,328,556.61
Deduct—Interest:—		
On the 5% Mortgage Bonds of the Nova Scotia Steel & Coal Company, Limited	$ 284,571.00	
On the 6% Debenture Stock of the Nova Scotia Steel & Coal Company, Limited	269,906.53	
On the 6% Mortgage Bonds of the Eastern Car Company, Limited	57,687.00	
		612,664.53
Net Profits for the Year		$ 1,716,492.08
Add—Surplus brought forward January 1, 1918		1,730,092.46
		$ 3,446,584.54
Deduct—		
Dividends on 8% Cumulative Preference Stock of the Nova Scotia Steel & Coal Company, Limited	$ 80,000.00	
Dividends at 5% per annum on the Ordinary Stock of the Nova Scotia Steel & Coal Company, Limited	750,000.00	
		830,000.00
Surplus carried forward		$ 2,616,584.54

PRICE, WATERHOUSE & COMPANY

Montreal, March 6, 1919.

We have audited the books and accounts of the Nova Scotia Steel & Coal Company, Limited, and Subsidiary Companies, for the fiscal year ended December 31, 1918, and we certify that, in our opinion, the attached Balance Sheet is properly drawn up and shows the true financial position of the combined companies at December 31, 1918, and that the relative Profit and Loss Account is a fair and correct statement of the results of the operations for the year.

PRICE, WATERHOUSE & CO.,
Auditors.

WEYBURN BANK HAS BIG BALANCE IN OTHER BANKS

About $1,600,000 so Carried at the End of Last Year

PROFITS ABOUT 17½%

Distribution to Shareholders Was Increased From 5% to 7% Per Annum During the Year

A year ago, when the annual statement of the Weyburn Security Bank appeared, the outstanding feature, reflecting as it did the prosperity of Western farmers, was an increase of over $1,000,000, or better than 50 per cent., in deposits. During 1918, as indicated by the report at December 31, a continuance of high prices resulted in these conditions being maintained, the deposits at the end of the year showing a further increase of $326,687—a total of $3,311,873. From the fact that balances in other banks amounted to $1,603,327—an increase of $357,288—it is evident that there are seasonal changes in the demand for funds upon a purely Western bank. Current loans at the end of the year amounted to $1,092,209—an increase of $159,470—and were thus only about two-thirds of the deposits transferred to other banks. These available bank balances put the Weyburn in a strong position in relation to current demands for funds which are no doubt much heavier at certain periods of the year. At the same time as a factor in the immediately liquid assets they give the institution a very strong reserve.

According to THE FINANCIAL POST'S analysis, the immediately available assets at the end of 1918 totalled $2,545,309, or 56.55 per cent. of the total, and 66.97 per cent. of liabilities to the public. These percentages showed an improvement.

The total assets of the bank, which amounted to $4,517,119 at the end of the year, showed an increase of $508,015. The increase in immediately available assets was $232,773, or less than the $357,288 increase in available balances in other banks. An important change in this connection was the reduction of $118,422 in balances available in banks abroad, indicating that the institution's assets were, to a large extent, made available for Canadian financing. Investments in Government securities increased by $61,421, indicating increased holdings of Government Treasury bills. Notes of other banks were lower by $66,411.

Increased financial service to the bank's clients is indicated by the fact that current loans were higher by $159,470. There is also an increase of $117,881 in holdings of Canadian municipal and other securities. Other changes in assets were not important.

The increase of $326,687 in deposits was largely on demand account, the increase in savings being only $38,960. Circulation was higher by $63,890, and obligations to the Dominion Government by $26,124. There was a new item of $10,184 for balances to banks abroad. Following are comparative figures from the balance sheet:

Immediately Available Liquid Assets	1918	1917	Change
Specie	$ 13,693	$ 16,561	—$ 2,868
Dom. notes	179,221	172,430	+ 6,791
Note cir. dep.	19,750	17,705	+ 2,045
Notes bk.	20,705	87,116	— 66,411
Bank bal.	1,602,327	1,245,039	+ 347,288
Do., abroad	76,846	195,269	— 118,423
Gov. Sec.	622,671	561,250	+ 61,421
Cheques	10,096	17,166	— 7,070
	$2,545,309	$2,312,536	+ $232,773
% total asets	56.55	57.80	— 1.25
% total liab. to public	66.97	57.80	— 1.03
Other Assets			
Public sec.	$ 562,614	$ 444,733	+ $117,881
Other sec.	16,900	16,900	......
Mun. loans	13,495	16,421	— 1,926
Current	1,092,209	932,739	+ 159,470
Over. debts	46,546	47,201	— 655
Real estate	12,095	16,718	— 4,623
Mortgages	6,771	7,537	— 766
Premises	170,608	164,898	+ 5,710
Other assets	50,572	50,421	+ 151
	$1,971,810	$1,696,568	+ $275,242
Total assets	$4,517,119	$4,009,104	+ $508,015
Liabilities to Public			
Circulation	$ 400,890	$ 337,000	+ $ 63,890
Dem. Deposits	1,943,739	1,656,012	+ 287,727
Savings	1,368,134	1,329,174	+ 38,960
Due Dom. Gov.	103,873	77,749	+ 26,124
Due Prov. Gov.	32,312	34,031	— 1,719
Due Banks abd.	10,134	......	+ 10,134
Other liab.	1,503	963	+ 540
	$3,860,585	$3,434,929	+ 425,656
To Shareholders			
Capital	$ 421,380	$ 385,320	+ $ 36,010
Reserve	215,000	175,000	+ 40,000
Dividends	14,746	9,633	+ 5,113
Balance	5,458	4,222	+ 1,236
	$ 656,534	$ 574,175	+ $ 82,359
Total liab.	$4,517,119	$4,009,104	+ $508,015

Little Change in Profits

The profit and loss account for the year showed net figures, after deduction for management, payment of taxes and necessary provision for interest due to depositors and bad and doubtful debts, $74,342, as compared with $74,275 in 1917, and $82,149 for 1916. In 1915, however, the amount was only $53,844. On the bank's paid-up capital the profits indicated a return of better than 17½ per cent. Dividends were increased during the year from a basis of 5 per cent. to 7 per cent., requiring $25,380 as compared with $19,256 in 1917; $40,000 was added to reserve after provision for war taxes and depreciation of bank fixtures and the balance carried forward increased the available from $4,222 to $5,457. Following are comparative figures:

	1918	1917	1916
Bal. forward	$ 4,222	$ 9,442	$ 6,502
Net profits	74,343	74,275	82,149
	$78,565	$83,717	$88,651
Distribution—			
Dividends	$25,280	$19,266	$48,995
Bank Fixtures	3,843	3,337	4,239
Writ. off bonds	....	20,712	.....
War tax on cir.	3,985	3,597	3,308
Reserves	40,000	25,000	20,000
Profits tax	....	7,583	2,667
Balance	5,457	4,222	9,442
	$78,565	$83,717	$88,651
Earn. on capital	17.6	19.3	23.6

TWO NEW DIRECTORS FOR RIORDON CO.

Appointed at Annual Meeting—Pulp Situation Shows Improvement

By Resident Representative

MONTREAL.—Two new directors were elected at the annual meeting of the Riordon Pulp & Paper Company, Brigadier-General J. B. White, manager of the company's wood department and saw mills, and J. W. Wheeler, of Parkinson & Burr, Boston. At the directors' meeting Charles Riordon was re-elected president; Carl Riordon, vice-president and managing director, and F. B. Whittet, secretary-treasurer.

In his address the president dealt with the company's interest in the new Kipawa development at Temiskaming, and expressed satisfaction at the conversion of 100 tons a day of unbleached to bleached pulp as allowing the company a wider market, especially for export. The pulp market, he said, showed a distinct improvement over what it was shortly after the armistice was signed.

The date of the annual meeting was changed from the first Wednesday in April to the third Thursday.

The stock was slightly firmer this week.

BIG TEXTILE ORDER SHOOTS STOCK UP

Cable Announces Business of $3,000,000 With Roumania—New Record of Profits

MONTREAL.—While details are still lacking, a cable despatch would appear to guarantee an order of at least $3,000,000 to the Dominion Textile Company from Roumania, secured by a representative of the company at the Lyons Fair in France. Acceptance of such an order is made possible now by the creation of a credit of $25,000,000 with Roumania through the Canadian Government. It is not known yet whether a portion of this order will be divided with other Canadian cotton mills or not.

This favorable news had a magic effect on the market: the stock in a day jumped from 107 to 110, its old high, and created lively buying.

The fiscal year of the company ended with March 31, and it is certain now that even better results will be shown than last year, when profits amounted to $1,873,371.

UNLISTED SECURITIES

STOCKS—	Bid	Ask
Alberta Pac. Grain, com.	122	130
Alberta Pac. Grain, pref.	85	95
Belding-Paul, pref.	81	85
Do., com.	30	34
British Amer. Ass. Co.	9	..
Canada Machinery, com.	21	24
Canada Machinery, pref.	48	53
Canadian Westinghouse	108	115
Canadian Oil, com.	42	46
Canadian Oil, pref.	100	106
Can. Mortgage	69½	77
Cockshutt Plow, pref.	80	91½
Dunlop Tire pref.	90	96
Dom. Manufacturers, pref.	45	55
Dom. Power & Trans., com	42	47
Eastern Car, pref.	48	55
Great West Life	220	230
Home Bank	78	82
Imperial Oil	355	380
Inter. Milling, pref.	85	88
Wm. Neilson com.	54	..
Goodyear Tire	200	...
Lambton Golf	440	490
Loew's Theatre, com.	110	...
Sterling Coal, com.	14	16
Sterling Bank	91	95
Standard Reliance	41	43½
Trust & Guarantee	82	85
Western Assurance	8	10
Pressed Metals, com.	70	80
BONDS—		
Amer. Salesbook, 6s	90	...
P. Burns, 1924, 6s	100	105
P. Burns, 1931, 5s	96	99
Eastern Car, 5s	89	95
Mex. North. Power, 5s	13	17
Morrow Screw, 6s	88	90
Nova Scotia Steel, Db., 6s	88	91
Ontario Pulp, 6s	88	92
Sterling Coal, 6s	71	76
Stone Limited, 6s	94	98
Toronto Power, 5s	87	92
Tor. & York Radial, 5s	97	99
Toronto Paper, 6s	86	92

FAIRBANKS-MORSE SHOWS 44.38% ON THE COMMON

The Profits Increased From $781,973 to $800,097 in 1918

The annual report of the Canadian Fairbanks-Morse Co., Ltd., for 1918, which was issued this week establishes a new record both for business profits and for net earnings. The profits for the year amounted to $800,097, compared with $781,973 in 1917, and $636,629 in 1916. After allowing for a preferred dividend payment of $90,000 there remained a balance available for the common dividend of $710,097, compared with $691,973 in 1917, and $546,629 in 1916. This would have allowed a payment of 44.38 per cent. on the common stock which amounts to $1,600,000, compared with 43.2 per cent. in 1917, and 34.2 per cent in 1916. To cover arrears they were actually paid dividends of 18 per cent. on the common stock last year as compared with 26⅛ per cent. in 1917, and 10 per cent. in 1916. After allowing for these payments of arrears on common dividends there remained a balance of $422,097, nearly 27 per cent. on the common stock. Adding the balance on hand of $1,340,439 last year, the surplus carried forward amounted to $1,762,527, compared with $1,340,439 in 1917, and $1,084,265 in 1916. This surplus represents nearly 50 per cent. of the total issues of the preferred and common stock.

On a Peace Basis

It is interesting to note the attitude of the president in his annual report with reference to the current year. During the war the Toronto factory had been given up entirely to the production of shells. "Now that victory has been won," says the president, "our first duty is to apply our energy to public requirements, and we are making every effort to put our facilities in shape to aid in the general resumption of peace-time activities. We have put aside the sum of $150,000 for the purpose of plant rehabilitation, and are already producing some of our established lines at Toronto. The outlook for the future is promising, and we expect the results for the coming year will be satisfactory."

Just at present the company has negotiations going on with the Government looking to the settlement of their final claim for work on munitions. On this account, of course, there is an increase in accounts and bills receivable, as balances are due on Government contracts, but it is expected that these will be very soon liquidated. Inventories have increased from $1,576,273 to $2,203,850. This is due to the fact that the company started at once to go in for agricultural machines early in the new year and bought up a good deal of standard goods for which the call, as they say, is large during the spring and fall season. Advance orders on these lines is greater than during the same period a year ago. Thus the company is already well into their new lines, and the turning over of the plant would seem to have been carried out with unusual expedition and with very favorable results.

The comparison of the profit and loss account is as follows:

	1918	1917	1916
Profits	$ 800,097	$ 781,973	$ 636,629
Pfd. div.	90,000	90,000	90,000
Bal.	$ 710,097	$ 691,973	$ 546,629
Com. div.	288,000	436,000	160,000
Bal.	$ 422,097	$ 255,973	$ 386,629
P. bal.	1,340,439	1,084,465	697,836
Surp.	$1,762,537	$1,340,439	$1,084,465

The working capital of the company likewise shows up well as compared with 1917. Inventories are up over $600,000, and accounts receivable have increased nearly $1,000,000. There is no banking indebtedness and total current liabilities are only slightly higher, $1,784,050, compared with $1,591,617. The balance working capital amounts to $4,093,943, as compared with $3,038,840, an increase of $1,055,103 for the year. However, this is below the real mark as investments include an addition of Victory bonds to the amount paid up, of $159,275.

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A. MACDONALD AND RELATIONS OF THE COMMON

More Definite Outlook Now That Preferred Dividends Are Funded

PROFITS WERE BETTER

Improvement Not so Great as Had Been Expected, but Heavy Allowance Was Made For Depreciation

The A. Macdonald Company, or Western Grocers, Ltd., in the statement for the year ending December 31st, shows a good increase in the net profits over 1917, a total of $303,463, as compared with $283,476, or $20,387 increase. While probably a larger increase in profits was looked for this year than is actually shown, account must be taken of the fact that a very heavy allowance was made by the company for depreciation, on the assumption that the ending of the war would mean a big decline in prices and the valuation of the inventory must provide liberally for this. But the statement of profits may be taken as a conservative one for the trading of the company during the past year.

The recent increase in the preferred stock, owing to the payment of deferred dividends this year by an issue of stock, brings up the point as to the relation of the common stock in regard to earnings. Previously no estimate could be made on account of the fact that there were 5 years' dividends owing on the preferred stock. Now with the dividend funded in the form of an addition of preferred stock it is possible now to estimate accurately the preferred dividends and also what balance is available just now for the common.

Taking the profits at $303,463 and deducting 7 per cent. on the amount of preferred stock that stood at the end of 1918, namely $1,766,800, the preferred dividend allowance for the whole year would be $123,676. As the statement of profits allows for payment of bank interest and all that is written off the plant, the preferred dividend is the only charge on these earnings. This leaves a balance of $179,787 available for common dividend on the record of the year 1918, or 5.99 per cent., or practically 6 per cent earned on the common stock. This does not take into account, however, the sum of $33,004, which according to agreement is set aside each year as a special reserve. This is done to reduce the goodwill of the company, and place the assets on a more conservative basis. If this were done before figuring on the common dividend, there would be still a balance of $126,183 available, or 4.2 per cent. on the $3,000,000 of common stock. This should be regarded as a very satisfactory condition at this stage in the company's life.

Before the balance of $124,442 was carried over from 1917, a sum of $5,000 was deducted, leaving a balance of $119,442 to carry forward from 1918. With the balance of $245,259 left from this year's profits the total surplus on hand at the end of 1918 was $369,902.

Larger Preferred Dividend

For the year 1919, there will be an additional amount to pay on the preferred stock, as it has been increased from $1,766,800 to $2,385,180 by the addition of $618,000 of preferred dividends that had accumulated and were paid to the shareholders in the form of extra preferred stock. This in the future will call for a dividend of $166,962 in place of $123,676, as it would have been under the original issue of preferred stock. This of course would mean an addition of some $43,000 for the preferred dividend for the year 1919. However, the company is looking forward with much confidence to this year's operation and it states in the report that "the outlook for the 1919 trade in the territory conserved by our houses is favorable." If the present expectations are verified, it is certain that the dividend on the common stock will show even more than 6 per cent. for the present year.

It was remarked a couple of weeks ago, however, it would likely appeal to the directors to defer starting a dividend on the common stock for a couple of years or so until there is a fairly large surplus behind the preferred. There is something due to the preferred shareholders as they have allowed their five years of dividend to be covered by an issue of preferred stock.

The comparisons as to profit and loss stand as follows:

Profit and Loss	1918	1917
Profits	$303,463	$283,076
Written off	......	92,168
	$303,463	$190,908
Spec. res.	53,004	53,004
	$250,659	$137,904
Other ded.	......	13,461
	$250,459	$124,442
Prev. P. & L. Bal.	119,442*	......
Forward	$369,902	$124,442

*After deduction of $5,000.

The Company in its report states that investments in warehouse profits increased during the year owing to a purchase of the warehouse occupied at Regina at a good figure, additions to the Saskatoon warehouse and the fact that the Port Arthur warehouse is now carried on our books through the merging of Riley-Ramsay Co. It is pointed out further that the Company has no bond or mortgage investments apart from an unmatured mortgage of $27,180, property acquired from Riley-Ramsay Co.

AMERICAN CYANAMID

Operations Being Readjusted to a Peace Basis

According to information received by THE FINANCIAL POST from C. M. Grant, secretary of the American Cyanamid Company, the concern is now engaged in readjusting its operations to a peace basis, having been engaged almost exclusively on war orders of the Ordnance Department of the U. S. Government. The company has re-entered its ordinary market, namely, the fertilizer industry and is developing the manufacture and sale of Ammos-Phos, a fertilizer material for which its plant in New Jersey was constructed, but which had to give way to the pressing demands of the war. It is expected that this new material will find a market both abroad and in this country.

The recent declaration of a dividend of 6 per cent. on the preferred stock on account of the accumulated dividends of 12 per cent. indicates an improvement in the company's financial position and tends to strengthen the market for the junior as well as the senior issues.

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C.P.R.'S POSITION WAS MAINTAINED DURING THE YEAR

Figures Relating to Operating Equipment Are Significant

EARNINGS ANALYZED

Comparative Figures of Income and Expenses in the Different Important Operating Departments

A study in detail of the annual report of the Canadian Pacific Railway Company, which was reviewed last week, serves only to deepen the feeling of admiration for the strength the company maintained and even increased, when most roads on the continent fell far behind, both in financial standing and in physical equipment.

A comparison of the items under "Equipment" will illustrate this point. It is seen that the company either maintained in service or increased as compared with the number as at Dec. 31, 1917, not only their locomotives, but first-class sleeping, dining and cafe cars, freight and cattle cars—by over 200—etc. The number of freight cars especially was important when such heavy calls were made to haul goods for export, munitions, agricultural products, manufactured goods in general, while keeping up the movement of coal and other domestic requirements.

	1918	1917
Locomotives	2,255	2,255
Passenger, bag., colon.	2,179	2,191
Sleep., din., cafe	480	468
Parlor cars, etc.	122	122
Freight and cattle (all kinds)	87,513	87,301
Cond. vans	1,340	1,359
Bldg., tools, aux.	6,542	6,735

Larger Freight Earnings

Freight figures show a smaller tonnage in 1918, but larger earnings per mile, increasing from 70 cents to 85 cents per ton per mile, due to higher freight rates. Passenger fares for a similar reason rose from 2.3 to 2.39 cents per passenger per mile.

Description of Freight	1917	1918
Flour, bbls.	13,727,970	13,301,740
Grain, bush.	213,340,507	137,070,428
Live Stock, heads	2,190,596	2,364,870
Lumber, feet	3,178,554,667	3,241,312,802
Firewood, cords	295,277	339,631
Man. Articles, tons	10,148,568	9,718,373
All other art., tons	8,788,423	9,798,523
Freight Traffic	1917	1918
No. of tons car.	31,198,685	29,856,694
No. of tons car. one mile	14,882,991,224	13,014,665,922
Earn. per ton per mile	0.70 cents	0.85 cents
Passenger Traffic	1917	1918
No. of pass. carried	15,576,721	14,502,546
No. of pass. carried one mile	1,488,974,821	1,289,280,061
Earn. per pass. per mile	2.03 cents	2.39 cents

The total earnings from the different departments compared as follows:

Earnings Classified	1918	1917
From Passengers	$ 30,837,253	$ 30,238,986
" Freight	110,187,288	103,635,794
" Mails	1,354,570	1,429,404
" Sleep. Cars, Exp., Tel. and Misc.	15,158,585	17,085,149
	$157,537,698	$152,389,333

Operating Costs

The divisions of operating expenses compared as follows in the two years:

Expenses	1918	1917
Trans. Exp.	$61,047,812.79	$53,039,260.40
Main. of Way and Structures	22,646,105.94	17,670,069.17
Main. of Equip.	28,226,991.04	23,404,262.77
Traffic Exp.	3,011,578.67	3,084,944.08
Parlor and Sleep'g Car Exp.	1,214,389.52	1,006,037.67
Exp. of Lake and River Steamers	1,181,589.41	1,054,683.53
General Exp.	5,421,601.38	5,023,609.14
Com. Tele.	285,241.63	1,770,449.74
Total	$123,035,310.38	$105,843,316.50

Among the expenditures on the system are included, for each year, $3,227,276 for preferred stock, at 4 per cent., and $26,000,000 on common, at 10 per cent.

In 1917, there was an item of $4,569,814 for additions and improvements, and $2,903,019 in 1918.

In ocean and coastal steamships $1,533,769 was paid in 1917 for steamships acquired or under construction, this was increased to $7,236,659 in 1918.

Balance Sheet

Coming to the General Balance Sheet for the two years, property investment increased from $538,510,563 to $542,656,974; ocean and coastal steamships from $26,810,547 to $27,509,419; acquired securities (various bonds, and stock in railway lines owned and operated by the company), from $123,126,925 to $123,195,564; advances to controlled properties and insurance premiums fell from $6,747,258 to $6,660,746.

The investments and available resources compare as follows:

Investments, etc., 1918		
Lands, townsites	$ 60,704,530	$ 55,826,198
Gov. sec.	30,682,067	33,366,508
Prov. sec.	2,031,721	2,631,721
Debenture stock	40,000,000	40,000,000
Miscellaneous inv.	26,897,558	25,465,452
Assets in lands	105,109,626	112,373,923
Cash	13,482,364	10,586,783
	$278,907,858	$279,650,538

Among working assets—increased from $63,229,149 to $76,342,949, are materials and supplies in hand of $22,135,952; and cash of $39,548,416.

Out of assets of $1,055,273,513 there are liabilities of $260,000,000 for common stock, and $80,681,921 of 4 per cent. pref. stock, a total of $340,681,921, or now less than one-third.

Mortgage bonds amount to $3,650,000 and 6 per cent. note certificates to $52,000,000.

Reserves and appropriations total $44,539,116. Net proceeds of lands and townsites amount to $84,079,684; special reserve from operation, $127,275,369, and surplus in other assets, $106,724,347.

$2,203,621 to Govt.

A special note states that $2,203,621—the total surplus from operating account in 1918—has been set aside "to meet taxes imposed by Dominion Government."

CANADIAN SALT PROFITS DOUBLED

Net Earnings of $223,000 Compared With $101,000 in Previous Year

The gross profits of the Canadian Salt Company, Limited, showed a very considerable gain in the year ended December 31st last, being $233,342.55, after writing off $22,000 against cost of new boiler installation and $35,775.64 from value of stores. The profits in 1917 were $101,090.35, so that for the past year there was an increase of $122,252.20.

Following are comparative figures of the profit and loss account for two years showing manner of distribution:

	1918	1917
Profits	$223,342	$101,090
Dividends	64,000	64,000
Bond interest	24,000	23,950
Dep. reserve	32,442	....
Written off	2,300	2,300
War tax	137	14,484
Sinking fund	10,000	10,000
Int. on overdraft	13,517	5,090
Directors' fees	4,380	....
Balance	72,656	45,265
	$523,572	$451,006

The value of the company's properties, including salt wells, buildings and machinery, is now placed at $1,379,594.72. The increase during the year in this respect was $48,409.39, representing additional boiler capacity at Windsor, and installation of electrical equipment, etc., at the chemical plant.

The company has accounts payable amounting to $231,918.92, and an overdraft at the bank of $174,800.99. E. G. Henderson, the president, explains that this large overdraft was owing to the necessity of having to carry unusually large stocks of raw material, principally coal and steel, and other supplies, purchased at the abnormally high prices prevailing.

LITTLE CHANGE IN WINNIPEG PAINT

Depressing Conditions During the Year and Outlook Little Better

Owing to the fact that the annual statement of the Winnipeg Paint and Glass Company for 1917 did not embrace a statement of profit and loss, it is difficult to make comparisons of the figures presented for 1918, but it is stated by President J. Carr that net earnings of $86,888 are approximately the same as for the previous year, apart from the special reserve of $12,000 provided for possible reduction in inventory values, and notwithstanding the adverse conditions of the past year, including unfavorable war reports in the earlier months, effects of conscription on the labor situation, the influence of weather conditions on the crops, the influenza epidemic and the effect on trade of the signing of the armistice.

Regarding building conditions, it is stated that high prices are likely to prevent any extended activity, other than necessary alterations and additions and that the total volume of trade will probably show little change this year from last. In this connection it is further stated that the company's assets, comprised of debentures, shares, mortgages, etc., did not show any material improvement during the year and were again an expense to the trading account.

Out of the profits of $86,888, $60,991 was used for interest payments, and the balance, $25,896, carried forward, increasing the total available to $134,928. Summarized figures of the balance sheet show little change:

Assets	1918	1917
Current	$770,549	$761,989
Investments	707,584	710,798
Plant	358,592	365,216
Def. charges	9,873	9,924
	$1,846,598	$1,847,927
Liabilities		
Current	$459,312	$471,320
Reserve	252,358	267,576
Profit and loss	134,928	109,031

DOMINION LINENS IS OPERATING A SPINNING PLANT

Decided on New Venture When Yarns Were Held Up

PROFITS WERE HIGHER

Company Made a Good Showing, Although It Had to Operate During Practically the Whole Year as Cotton Mill

The war has been an important factor in relation to the linen industry in Canada and the period following promises to be accompanied by developments almost revolutionary in character. Much light is thrown upon the situation by the annual report of the directors of Dominion Linens, Limited, which accompanied the statement to the shareholders.

President D. M. Sanson refers to the fact that during 1918 the company's plant was practically conducted as a cotton mill because of lack of linen yarn as the result of the action of the Flax Committee of the British Government in confiscating the entire supply for the manufacture of linen for aeroplanes. Conditions were such in fact that yarns on order, and in one case paid for to the extent of $27,000, were delayed in delivery for over a year.

Still more interesting is the reference of President Sanson to plans which have been evolved to meet this situation—plans which in their consummation will mean the establishment of a new industry in Ontario. He says:

> To remedy this condition of affairs, and taking into consideration the large amount of high grade flax fibre produced in Ontario, we have installed flax spinning plants, having formed a subsidiary company known as "Flax Spinners, Limited," of which you have already been advised. We look forward with confidence to the successful operation of these plants, which will place us in an independent position with regard to raw material for this company.
>
> We also propose to enter into the growing of flax, commencing this spring. This will put us in the position of being producers from the soil to the finished article, viz.: growing and harvesting the flax straw, retting and scutching the same, spinning the fibre, weaving the yarns, bleaching and finishing the fabric. The flax spinning plants are now partly in operation, and are awaiting the arrival of further shipments of machinery from Great Britain, orders for which were placed several months prior to the close of the war. With the completion of this plant we will be larger producers than ever of linen goods.
>
> As you have already been advised we were successful in having the Federal Government provide a bounty to the extent of $25,000 per annum for a period of three years for the spinning of linen yarns in Canada, and we believe that this will largely enable us to take care of any unforeseen conditions that may arise owing to the termination of the war.

Good Business Ahead

Referring to the business outlook, the statement is made that orders for several months are in advance of production. One hundred new looms have been acquired and are being installed. Enlarged operations are expected to be profitable, it being argued that prices should be maintained for the next two or three years owing to the world shortage of raw materials.

Profits for Year Improved

The profit and loss account shows profits of $71,143 as compared with $50,578 in 1917. Preferred dividends took $21.188 and, after making allowance of $644 loss on plant disposed of, $10,000 for depreciation, $1,000 for doubtful accounts and $31,741 for reserves, the balance was carried forward, increasing the surplus from $29,767 to $36,317. Following are comparative figures:

Profit and Loss	1918	1917
Profits	$ 71,143	$ 50,578
Balance forward	29,767	23,223
	$100,910	$ 73,806
Dividends	$ 21,188	$ 16,915
Loss on plant	664	2,452
Written off	10,000	5,700
Income Tax	.....	818
Dep. reserve	31,741	18,154
Res. doubtful accts.	1,000	.....
Balance	36,317	29,767
	$100,910	$ 73,806

The balance sheet shows an investment of $90,052 in Flax Spinners Limited, on which $13,000 is reflected as a liability in bills payable.

DOMINION STEEL

There is nothing yet to indicate the degree of success that has attended the trip of Mark Workman, president of Dominion Steel, to the Old Country. He sought the release of a considerable amount of tonnage which has been commandeered during the war. Mr. Workman seemed satisfied, judging from his interview, that trade would be good for steel trade. The selling of iron shares is off in volume to what generally passes, although the price is well up, considering the drops that have seized upon several of the securities during the last few months.

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TORONTO

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Established 1837. Incorporated 1880
CAPITAL—
AUTHORIZED AND ISSUED £6,000,000

Paid-up Capital £2,000,000
Res. Fd. £2,050,000 Together £4,050,000
Res. Liab. of Proprietors £4,000,000
Total Capital and Reserve £8,050,000

Head Office: 71 Cornhill, London, E.C. 3

The Bank Has 181 Branches, viz:

In Victoria 41
In New South Wales 39
In Queensland 19
In South Australia 14
In Western Australia 21
In Tasmania 3
And in NEW ZEALAND 44

Drafts upon these Branches are issued by the Head Office and may be obtained from the Bank's Agents throughout the world. Commercial and Circular Travelling Credits issued—available throughout the world. Cable Transfers are also made. Bills on the Australian States and Dominion of New Zealand are purchased or sent for collection.

ABSOLUTE SECURITY

is afforded the purchasers of the Bonds which this Corporation issues. Its large Capital (fully paid-up) and Surplus protect, beyond question, the funds invested in its Bonds.

These Bonds are issued in sums of One Hundred Dollars and upwards for terms of one or more years. They are transferable and bear a very attractive rate of interest, for which Coupons payable half-yearly are attached.

We welcome enquiries and will gladly furnish a copy of our last Annual Report and any further information desired on request.

Capital (paid-up) and Surplus $11,672,509.77
Investments 31,461,387.24

Canada Permanent Mortgage Corporation
Toronto Street, Toronto
Established 1855

Route Your Shipments
CANADIAN NATIONAL

GRAND TRUNK PACIFIC

For the first week of March gross earnings of the Grand Trunk Pacific Railway totalled £18,481, against £20,323 for the corresponding period of 1918, a decrease of £1,842, while from January 1 to March 7 the earnings amounted to £178,169, a decrease of £27,921.

Under What Family Conditions Are Two Executors Desirable?

THE settling of an estate sometimes calls for a peculiarly personal knowledge of the family's affairs—combined with previous executorship experience.

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78

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TRUSTS AND GUARANTEE
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14

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The Financial Post

FOR the convenience of the many Directors, Executives and business representatives who find THE POST'S concise business news service of time-saving value to them, THE POST is now found on all the library cars of the C.N.R. and the G.T.R. This means, **First:** That these railways recognize THE POST as one of the world's leading publications; **Second:** That advertisers in THE POST will be reasonably sure of reaching the class of people who travel in luxury and extensively; **Third** (and not least important): That POST readers who leave for rail journeys will not have to miss POST news service which often has an important bearing on business in hand for which journeys are made, and conveys valuable information which can be acted upon by mail or wire en route.

SCOTIA STEEL CO. WOULD MINE FROM DOMINION AREA

Bill to That Effect is Now Being Considered By Legislature

IT IS SCOTIA'S MOVE

Action Means That an Effort is Being Made to Overcome the Strategic Advantages of the Dominion Steel Co.

By Special Representative

HALIFAX.—A bill has been introduced in the Nova Scotia legislature by Hon. E. H. Armstrong, Commissioner of Works and Mines, to enable the Nova Scotia Steel and Coal Company to enter upon and mine coal from an area, Lease No. 54, to the Dominion Coal Company, near Cranberry Head, C.B. This is to enable the company to continue operations in the Florence mine. The bill is in accordance with an order-in-council dated March 13th. Clauses 6 and 7 of the order-in-council sets forth:

That it has been represented to the Commissioner that the Nova Scotia Steel and Coal Company has worked out all the available coal of main seam lying to the northward of their slope at the Florence Mine, up to the limit of the barrier of the boundary between its lease and that of the Dominion Coal Company No. 54. And it is further represented to the Commissioner that the said Nova Scotia Steel and Coal Company have also practically worked out the recoverable coal to the south of their Florence slope on said Sydney Mines main seam, and that the coal now recoverable to the south can only be recovered with difficulty and at a cost that has compelled the Nova Scotia Steel and Coal Company to close the said mine, thereby seriously interfering with the output of coal in the province and depriving a large number of miners of employment. It is also represented to the Commissioner, as will appear from the plan hereto annexed, that the distance from the said Florence slope to the north to the southern boundary of Lease No. 54 is very short compared with the distance that levels have been driven to the southward, and that owing to the relative location of the slope to the respective northern and southern boundaries of areas which constitute the Florence Mine, a one-sided mine has been developed and conditions are now such that unless the Nova Scotia Steel and Coal Company can obtain permission to penetrate the barrier between its lease and that of Lease No. 54, and is further permitted to extend its present levels into the area included in Lease No. 54, said Florence colliery must remain closed, resulting in a loss of output of coal to the province, and continued unemployment;

That the Commissioner has made and caused to be made such investigation as justifies him in concluding:—

(a) that the said Florence Mine has ceased operations for the reasons above represented,

(b) that as a result of the closing down of said mine the output of coal for the province will be decreased,

(c) that the closing down of said mine has resulted in a large number of miners being unemployed,,

(d) that if the said Nova Scotia Steel and Coal Company were permitted to mine the coal which forms the barrier and boundary separating them from the said area No. 54 and were further granted the privilege and right to enter upon and mine the coal in said main seam lying to the north of said boundary or barrier leased to the Dominion Coal Company, the said Florence Mine would be reopened, the output of coal in the province would be increased and miners now unemployed would be employed;

That in the opinion of the Commissioner it is in the public interest in order first to secure an increased output of coal in the province, and, secondly, to afford relief for the unemployment now prevailing at Florence, that permission be given the Nova Scotia Steel and Coal Company to enter the submarine barrier separating its coal areas from those of the Dominion Coal Company, notwithstanding the provisions of the "Coal Mines Regulation Act," and that notwithstanding the provisions of the "Mines Act" it be given permission to enter upon the area of the Dominion Coal Company held under Lease No. 54, for the purpose of mining coal from the main Sydney seam. Further, it is the opinion of the Commissioner that it is in the public interest that the provisions of said Lease No. 54, in so far as such provisions in any way prevent the Nova Scotia Steel and Coal Company entering upon said Lease No. 54, main Sydney seam, for the purpose of mining, working and appropriating coal therefrom, be suspended.

It is provided that the existing levels of the Nova Scotia Steel and Coal Company shall not be extended into the area from the Florence slope northerly a distance greater than 500 feet, until the coal tributary to such levels has been reasonably worked out or exhausted, of which condition the Deputy Inspector of Mines at Sydney Mines shall be the sole judge to decide in the interests of economic mining when each level may be further extended within the said above described area.

That the Nova Scotia Steel and Coal Company shall be held responsible for and pay to the Mines Department the royalty to be yielded and rendered to the province under the terms of said Lease No. 54.

That the Lieutenant-Governor-in-Council agree to compensate or indemnify the Dominion Coal Company for any damages caused to its property through neglect, unskillful and unworkmanlike working of said area.

The bill of which the order-in-council forms a part, is as follows:

Be it enacted by the Governor, Council and Assembly as follows:—

1. The Governor-in-Council had when said order was made, full jurisdiction, power and authority to make the same.

2. The said Order when it was made was and ever since has been and is now legal and valid; and full force and effect shall to all intents and purposes be given to the provisions thereof.

3. The said Order shall be construed and held not to suspend any of the provisions of said Lease No. 54 so as to prevent the Dominion Coal Company exercising any of its rights as lessee in all parts of the leased area, except the area particularly described in said Order on which the Nova Scotia Steel and Coal Company is permitted to enter.

The bill has not yet come up for second reading. There is no doubt it is a popular measure.

MONARCH KNITTING DIVIDEND OUTLOOK

This Year's Distribution Will Evidently Depend Upon the Results

That the directors of the Monarch Knitting Co. have not yet decided to place the common stock on a regular 4 per cent. dividend for the year 1919, is made clear in a clause of the report of the president, F. R. Lalor, to the shareholders. After referring to the declaration of a dividend of 4 per cent. covering the year 1918, it goes on to say: "The directors look forward with confidence to the business of the coming year but they do not yet feel justified in placing the common stock on a regular dividend basis, until conditions have become more normal and until there is some assurance of continued stability in tariff legislation."

The record made by the company with a surplus of $298,154 available for common dividend, amounting to some 23 per cent., indicates that with a good year's business assured the company is not likely to pass over the year 1919 without dividend action. There, of course, may be a delay until the end of the year, when a definite statement will be available as to the year's operations, but in any case the time of no dividend on Monarch Knitting would appear to have passed.

The very marked increases in the earnings and profits for the past two years indicate that the new line of hosiery which the company is now manufacturing has proved a successful feature of their business. For a number of years the Monarch Knitting Co., limited itself to sweater coats with a few accessories, such as knitted sets, mitts, etc. It was found finally that the large plant could not be kept occupied in the one line, particularly with the keen competition that developed amongst a number of other knit goods firms in Canada. The decision to enter the hosiery business, which was more or less undeveloped in this country, and on which we were dependent to a very great extent upon Germany and England and the United States, led the company some three years ago to enter this field. For a year or so, as is natural, the company found difficulty in reaching that high standard which was the aim of the management and which was necessary in order to secure business in this country in the face of keen competition from domestic and outside mills. Great improvements, however, were made constantly, and the company has now secured a firm footing and the prospects are that this end of the business will prove a very satisfactory one and add substantially to the total. Indeed, some time ago, THE FINANCIAL POST ventured to make the prophecy that the hosiery end of the Monarch Knitting Co.'s business would soon outstrip in sales and profits the original line of sweater coats.

TWIN CITY

Gross earnings of the Twin City Rapid Transit Company for the month of February amounted to $829,499, against $780,372 for the same month in 1918, a gain of $49,127. Operating expenses at $638,641 were higher by $34,108, while net earnings amounting to $190,858, showed an increase of $15,020. For the first two months of the year gross earnings totalled $1,704,083, or a gain of $81,987 over the corresponding two months in 1918. Net earnings amounted to $400,623, a gain of $45,225.

BRAZILIAN TRACTION

The January earnings statement of the Brazilian Traction, Light and Power Company shows gross earnings amounting to 8,522,000 milreis, against 7,837,000 milreis for the same month in 1918, an increase of 685,000 milreis. The operating expenses were higher by 98,000 milreis, the total for the month being 4,239,000 milreis. Net earnings at 4,283,000 milreis compare with 3,696,000 milreis, a gain of 587,000 milreis.

ILLINOIS TRACTION

The Illinois Traction Company reports gross earnings for the month of February amounting to $1,353,235, against $1,165,481 for the same month in the previous year, an increase of $187,754. Operating expenses at $962,347 were higher by $134,721, while net earnings, amounting to $390,887, compared with $337,854, an increase of $53,033.

For the first two months of the year the gross totalled $2,814,271, or an increase of $416,718 over the corresponding two months in 1918. Net earnings for the two months amounted to $818,140, an increase of $171,081.

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—Douglas Fir - Red Cedar - Spruce - Hemlock - Pine - Larch - Cottonwood.

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402 Pender St. West, Vancouver, B.C.

VISIT VANCOUVER THIS SUMMER — SEE FOR YOURSELF.

HIGHER DIVIDEND FOR SCOTIA TRUST

Rate Advanced From 6 to 7 Per Cent. on the Capital Stock

By Special Representative

HALIFAX.—The latest corporation to increase its dividend in Halifax is the Nova Scotia Trust Company, which has declared 7 per cent. on its capital of $205,000 instead of 6, the rate that formerly prevailed. The dividend is payable half-yearly in April and October.

This company, of which R. W. Elliot is the managing director, was established in 1912, three years ago. It paid a substantial stock dividend but with that exception 6 per cent. has been paid from the beginning.

This year, for the first time, a sum has been set aside for reserve, the figure being $20,000. The company has a credit profit and loss balance of $41,000, which includes the amount now paid to reserve. There are no liabilities, to the public, which the company for some time has considered one of its features.

The old board of directors was reelected, with two additions, F. W. Sumner, of Moncton, agent-general of New Brunswick in London, and B. P. Saunders, of Halifax.

PORTO RICO

The February earnings statement of the Porto Rico Railways Company shows gross earnings for the month amounting to $92,562, as compared with $83,185 for the corresponding month in 1918, an increase of $9,376, or 11.2 per cent. Net earnings at $39,917 show a falling off of $494, or 1.2 per cent.

For the first two months of the year gross earnings totalled $182,600, or a gain of $17,293 over the corresponding period in the previous year. Net for the two months at $73,645 was lower by $2,708, or 3.5 per cent.

NOVA SCOTIA STEEL

Sale of Scotia common has dropped low, in fact, sales of this, especially on the local market, are not frequent, the bulk of the selling being at American points. When any block of stock is to be liquidated it is at an American point the selling is nearly always done. There was some discussion recently about the wisdom of paying a dividend on Eastern Car, but apparently the idea was found feasible. Those opposed to the plan urged that the present was not the time to set up a precedent and make such a disposal of the funds.

MONEY BANKING AND EXCHANGE

WESTERN CITIES SHOW SLIGHT IMPROVEMENT

Substantial Increases Reported By Eastern Cities

FIVE CITIES LOWER

Montreal Shows the Largest Percentage Gain, While Toronto Also Shows a Substantial Increase

For the week ending Thursday last bank clearing returns from twenty-five cities show a gain of $72,373,658 over the corresponding period in the previous year. In the East, the total at $220,472,843 shows a gain of $78,702,099, while in the West there is a falling off of $6,328,441, or 9.4 per cent. Montreal, with a total of $115,919,702, shows an increase of $50,154,838, or 76.3 per cent., while Toronto also shows a substantial gain with clearings for the week amounting to $74,095,671, a gain of $23,105,671, or 45.3 per cent. Brantford is the only city in the East to report lower returns, while in the West four cities show a falling off. Winnipeg, with a total of $30,692,261, shows a decrease of $10,178,303, or 24.9 per cent. Following are comparative figures:

WEEKLY BANK CLEARINGS
(In comparison with same week last year)

Eastern Cities

	Apr. 3, 1919	Change	%
Montreal	$ 115,919,702+	$ 50,154,838	76.3
Toronto	74,095,671+	23,105,671	45.3
Ottawa	7,635,080+	1,001,913	15.1
Hamilton	5,544,940+	882,885	18.9
Quebec	4,769,837+	1,730,303	57.0
Halifax	3,802,566+	661,157	21.0
London	2,674,941+	126,199	4.9
St. John	2,622,525+	490,970	23.0
Brantford	866,211—	60,619	6.5
Peterboro	722,642+	147,374	25.6
Sherbrooke	1,108,834+	320,839	40.7
Kitchener	709,894+	140,569	24.7
Total, East	$ 220,472,843+	$ 78,702,099	55.5
Windsor	1,137,660		

Western Cities

	Apr. 3, 1919	Change	%
Winnipeg	$ 30,692,261—	$ 10,178,303	24.9
Vancouver	10,698,739+	2,812,075	35.6
Calgary	5,208,430—	805,494	13.4
Edmonton	3,354,540+	568,669	20.4
Victoria	1,958,340+	603,866	44.7
Regina	3,126,643+	172,940	5.8
Saskatoon	1,778,077+	211,480	13.5
Moose Jaw	1,314,078+	179,434	15.8
Ft. William	488,117—	92,663	15.9
Brandon	598,529+	50,805	9.2
N. Westminster	496,670+	70,822	16.6
Medicine Hat	402,195—	48,791	10.8
Prince Albert	399,263+	126,719	48.7
Total, West	$ 60,515,882—	$ 6,328,441	9.4
Grd. Total	$ 280,988,725+	$ 72,373,658	34.6
Yr. to Date	$3,406,198,980+	$479,381,071	16.3

MONTHLY BANK CLEARINGS
(In comparison with same month last year)

Eastern Cities

	March, 1919	Change	%
Montreal	$ 433,296,193+	$128,137,264	42.0
Toronto	308,074,864+	61,515,660	25.0
Ottawa	28,393,489+	4,716,080	19.9
Hamilton	21,159,267+	1,359,605	6.9
Quebec	18,575,247+	2,645,797	16.6
Halifax	16,503,187+	2,045,714	14.2
London	10,879,835+	1,700,635	18.5
St. John	10,570,256+	1,400,840	15.2
Brantford	3,586,062—	321,823	8.2
Peterboro	2,873,909+	158,280	5.8
Sherbrooke	4,416,073+	1,080,606	32.4
Kitchener	3,411,797+	979,799	40.3
Total, East	$ 861,740,179+	$205,418,457	31.3
Windsor	4,861,765		

Western Cities

	March, 1919	Change	%
Winnipeg	$ 130,749,848—	$ 51,755,154	28.4
Vancouver	45,039,214+	7,405,815	19.6
Calgary	21,394,618—	5,295,083	19.9
Edmonton	13,854,024+	762,910	5.8
Victoria	8,244,065+	976,835	13.4
Regina	12,113,835—	98,351	.8
Saskatoon	6,397,855—	262,711	3.9
Moose Jaw	5,390,116+	679,022	14.4
Ft. William	2,308,447—	245,392	9.6
Brandon	2,208,256—	262,888	10.6
Lethbridge	2,325,452—	928,518	28.5
N. Westminster	2,071,044+	494,693	31.5
Medicine Hat	1,461,411—	465,883	24.2
Total, West	$ 253,558,185—	$ 48,994,705	16.1
Grd. Total	$1,115,298,364+	$156,423,752	16.3

FUNDS TEND TO HIGHER LEVEL

Meanwhile Sterling and Francs Have Shown Marked Recovery During the Week

During the early part of the week, New York funds were rather heavy, buyers being deterred by the high prices from making purchases. This carried the rate down to about 2 per cent. This condition, however, could not last, and as soon as buying was resumed prices rebounded sharply. At present the rate is close to 2½ per cent., with tendency towards higher levels. The course of funds during the week has been as follows:

March 28—Opened heavy at 2⅝, sold down to 2½ and closed at 2 7-16 to the seller in Montreal, with offerings at 2 5-16.

March 29—Opened 2 5-16 asked; offered at 2⅛ to the seller; sold at that figure and in Montreal as low as 2 to the buyer.

March 31—Opened at 2 bid; rose to 2 1-16 to the buyer; to 2⅛ to the buyer and closed at 2¼ to the seller.

April 1—Opened at 2¼ bid; sold at 2 9-32 to the seller, rising to 2 7-16 to the seller; then broke to 2 11-32.

April 2—Opened at 2 11-32 to the seller; sold at 2⅜ to the buyer, then reacted to 2 11-32 to the seller.

April 3—Opened at 2 7-32 to the seller; sold 2⅜ to the seller and closed firm at 2 13-32 to the seller.

April 4—Opened at 2 7-16 to the buyer and sold at 2 15-32 to the buyer.

Both sterling and francs have exhibited strength, due largely to short covering in anticipation of a possible resumption of control. Opening rates on the two exchanges for each day of the week were as follows:

	Sterling		Francs	
	Demand	Cables	Cheques	Cables
Mar. 28	4.58	4.59½	5.97	5.96
Mar. 29	4.58	4.59	6.00	5.98
Mar. 31	4.58	4.59	6.03	6.01
Apr. 1	4.58½	4.59½	6.06	6.02½
Apr. 2	4.60	4.61	6.06	6.02½
Apr. 3	4.64	4.65	6.02	6.00
Apr. 4	4.65½	4.66½	5.95	5.93

MERCHANTS

The Merchants Bank has decided to increase its paid-up capital by $1,400,000, bringing it up to $8,400,000. The stock will be issued on a pro rata basis. The new stock will be issued on the basis of one share for each five shares now held, at a price of $150, to shareholders of record on the bank's books as on April 30.

HOME

The Home Bank of Canada has opened a branch at Belton, Ont.

DOMINION

B. B. Manning, manager of the Huntsville branch of the Dominion Bank, has been transferred to the branch at St. Catharines. Mr. Manning will be succeeded at Huntsville by C. I. Ewing from Hamilton.

The Dominion Bank announces the opening of an agency of the bank at 51 Broadway, New York, with C. S. Howard, late asssistant manager of the Montreal branch, in charge as agent.

ROYAL

R. W. Green, manager of the Kincardine branch of the Royal Bank, has been transferred to the branch at Ingersoll. Mr. Green's successor will be D. H. Morrison, of Lakefield.

STANDARD

A branch of the Standard Bank has been opened at West Hill, Ont., under the management of M. C. Zimmerman.

UNION

G. K. Cassie, of the Dundalk branch of the Union Bank, has been transferred to the branch at Sydenham as ledger keeper.

COMMERCE

The Canadian Bank of Commerce has opened a branch at Hodgeville, Sask., with H. S. Gibson temporarily in charge. A branch has also been opened at Iroquois, Ont., with B. T. Anderson in charge and a branch at Winnipeg, Selkirk and McGregor, with C. F. A. Gregory as manager.

J. Cuthbert, of the Moose Jaw branch of the Bank of Commerce, has been transferred to Winnipeg.

At the new branch of the Canadian Bank of Commerce, 1380 West St. Clair Avenue, H. C. Campbell has been appointed manager. He is a returned man and served with the 127th Battalion overseas for some two and a half years, and held the rank of major when he left the service. He was formerly manager of the Wychwood branch of the Commerce Bank.

HAMILTON

The Bank of Hamilton has opened a new branch at Keeler, Sask., under the management of C. A. Stuart.

GOLD MOVEMENT STATES TO CANADA

Quarter of a Million Evidently Only For Commercial Purposes

NEW YORK.—The anouncement of the shipment of $253,000 in gold for export to Canada during the week is chiefly interesting because, while a small shipment, relatively, it is nevertheless the most important single export to Canada for some months. For instance, in the entire month of December last, but $5,207 of gold left this country for the Dominion; this contrasts with exports totaling $1,207,552 in the month of December, 1917.

So little gold is moving these days that special significance appears to attach to any export, be it small or large. The current shipment, however, is not believed to represent other than a normal transaction; gold probably for Canadian commercial uses. A quarter of a million dollars' worth of gold exported exerts no appreciable effect on the exchange market, though under certain circumstances it might do so. The flow of gold between the countries would only have an effect upon exchange did it presage an unrestricted movement of proportions.

Complete statistics relating to the movement of gold between this country and the Dominion during the last calendar year are now available and the figures show conclusively that the bulletin movement had shrunk in importance to pre-war proportions. During 1918 Canada sent this country a total of $45,787,198 in gold and imported $1,546,372, allowing a net American import of $44,240,826, compared with a net of $503,361,752 in 1917, and with $570,725,745 in the record year of 1916.

A CANADIAN-U.S. ALLIANCE IN BANK FIELD

Charter Granted to Park-Union Foreign Banking Corporation

CANADIAN FORESIGHT

New Venture is Result of Investigation of Banking and Trade Possibilities of Orient Made Early in 1918

By Special Representative

New York City and the Union the final step in the formation of the first working alliance to be consummated between a Canadian and an American bank, the announcement of the granting of a charter to the Park-Union Foreign Banking Corporation, the foreign trading corporation organized by the National Park Bank of the New York City and the Union Bank of Canada, marks distinctly the beginning of a new era in the history of Canadian banking. The third recent foreign discount corporation to be formed in the United States, the new corporation proves very conclusively that Canadian bankers are fully alive to the fact that the war has made Canada a world power, politically and financially, and that she must take her place in the markets of the world. It is also proof positive that Canadian bankers clearly see the part Canadian banks must play in establishing Canadian trade and commerce in foreign fields.

Along with the announcement of the granting of this charter comes the announcement of its provisional directors. The president of the Park-Union is Dr. C. A. Holder, until recently vice-president of G. Amsinck & Company, of New York City. The vice-president, W. J. Dawson, first agent at the Bank's New York agency. The Canadian representation in the management is further strengthened by the appointment of F. T. Short, as secretary and treasurer; Mr. Short was formerly agent of the Union Bank at New York.

The board of directors of the new organization, through still partly provisional, is a strong one and well qualified to handle the peculiar difficulties and purposes of a foreign trading corporation. In includes among its members, Stuyvesant Fish, a well known New York financier, who has been a member of the advisory board of the Union Bank of Canada's New York agency since it was established over two years ago. Another member of the board is Gilbert G. Thorne, vice-president of the National Park Bank, an American banker of wide experience and an expert on foreign trade financing.

The Origin of Corporation

The Park-Union Foreign Banking Corporation is the result of the investigation of the commercial and banking possibilities of the Orient, undertaken early in 1918 by George Wilson, then first agent of the New York agency of the Union Bank, backed by Gilbert Thorne, of the National Park Bank of New York City. As the result of this preliminary survey of the field, late in December, Mr. Wilson went to the Far East (where he still is) to do some of the preliminary work of organization.

It should be peculiarly gratifying to Canadian bankers to know that so long ago as early in 1918, one of their organizations recognized the fact that with the conclusion of the war the best outlet for Canadian and American goods would lie not in Europe but in Asia.

The farsightedness of those who were responsible for the preliminary investigation is the more praiseworthy in view of the fact that at that time it was more or less generally held among American and Canadian bankers that the two nations' export markets lay principally in the Occident. Their judgment was quite recently justified by the statement made by J. Pierpont Morgan on his return from Europe that for a long time to come America's exports to Europe would be limited, an opinion which has been amply supported by the turn events have taken in the last few weeks.

The new corporation is capitalized at $2,000,000 and has a surplus of $2,250,000. Arrangements have been completed, it is understood, to open at once offices in San Francisco, Seattle and at Yokohama, Japan. The establishment of these offices will constitute only a part of the new corporation's plans, as it will shortly open further offices in Japan and it is believed in other parts of the Far East.

Internationalism in Banking

Commenting on the formation of the Park-Union Corporation, the other day an American banker closely connected with Canadian-American banking, emphasized the peculiar advantages of such alliances between Canadian and American banking organizations. "There is an obvious advantage in such undertakings," he said, "Canadian banks have the experience gained in conducting foreign branches, notably in the West Indies and Mexico. They are in a position to supply men to manage the new branches in the foreign fields. The American banks, on the other hand, are in a position to supply the necessary capital in practically unlimited amounts."

INVESTMENT MARKETS TEND TO DULLNESS

Continued from page 1

since the first of the year is feeling the effects of the general slackness and has relapsed into a pretty dull condition. Here again prices are holding and there is no indication of any weakening from the position that has slowly been built up. The fact that Victory bonds continue to command top prices is a sure sign that there is plenty of confidence abroad. In fact, Victory bonds will now be the indicator of general financial conditions and their stability is matter for congratulation.

Market letters being sent out by both Canadian and United States investment houses continue bullish in the main, though moderate reactions of a healthy character are predicted by many of the writers. These, however, are regarded as merely temporary setbacks to a general upward trend. As Hayden,, Stone & Co. say: "We have had quite a good spring rise, and it will do the market no harm to rest a few weeks. This, perhaps, is putting as cheerful a construction on the situation as possible, for with the clouds thickening abroad and another Liberty Loan approaching, this is probably the best that could be expected. We have not at all altered our belief, that we shall enjoy a period of large constructive activity such as has been predicted by so many, but this can hardly materialize rapidly under such disturbed conditions. For the long pull, we are decidedly optimistic, and if we have some little setback during the next few weeks, we believe advantage should be taken of this for the uplift which we are hopeful will later be a matter of months."

CHANGES DURING THE WEEK

	Last Mar. 27	Sales Apr. 3	Chge
Asbestos, com.	52½	61¼	+ 8¾
Dom. Canners, com.	34¼	36⅛	+ 1⅞
Dom. Textile, com.	106½	109¾	+ 3¼
Maple Leaf Mill., com.	139½	135½	— 4
St. Law. Flour, com.	*90½	85	— 5½
Atlantic Sugar, pref.	71	77	+ 6
Do., com.	*20	25	+ 5
Mackay, com.	72	75	+ 3
Laurentide	204½	206	+ 1½
Span. River, pref.	[illegible]	82	[illegible]
Toronto Paper	68½	[illegible]	[illegible]

*No sales this week.

U.S. STEEL EARNED LESS THAN $20 SHARE

Showing Was Over $39 a Share in 1917 and $48 a Share in 1916

NEW YORK.—The annual report of the United States Steel Corporation for 1918 shows a balance applicable to the $508,302,500 common stock of $100,087,700, equal to $19.69 a share on that issue, compared with $198,999,888, or $39.15 a share in 1917 and $246,312,053, or $48.46 a share in 1916.

The net for dividends shown for 1918 is after deducting $12,215,000 additional allowance for amortization of war plants. In its quarterly statements over the year the corporation has already deducted $40,000,000 on this account, so that total deductions of this nature were $62,215,000 for the year. Final surplus for 1918 was $28,935,350 compared with $52,505,437 in 1917, a decrease of $23,570,087.

The average wage per employee of United States Steel in 1918 was $1,685, the highest average for any year

---

The Weyburn Security Bank

Annual Statement to Shareholders as at the Close of Business on December 31st, 1918

LIABILITIES

TO THE SHAREHOLDERS:		
Capital Stock paid in	$ 421,330.00	
Reserve	215,000.00	
Profit and Loss Account	5,457.89	
Dividends declared and unpaid	14,746.55	
		$ 656,534.44
TO THE PUBLIC:		
Notes of the Bank in Circulation	$ 400,890.00	
Balance due to Dominion Government	103,873.12	
Balance due to Provincial Government	32,311.88	
Balance due to Banks and Banking Correspondents in the United Kingdom and Foreign Countries	10,133.84	
Deposits not bearing Interest	1,943,739.55	
Deposits bearing Interest including Interest accrued to date of Statement	1,368,133.32	
Liabilities not included in the foregoing	1,503.33	
		$3,860,585.04
Total		$4,517,119.48

ASSETS

Current Coin held by the Bank	$ 13,692.64	
Dominion Notes held	179,221.25	
Notes of Other Banks	20,705.00	
		$ 213,618.89
Cheques on Other Banks	$ 10,095.94	
Balances due by other Banks in Canada	1,602,327.14	
Balances due by Banks and Banking Correspondents elsewhere than in Canada	76,845.42	
Dominion and Provincial Securities, not exceeding market value	622,671.31	
Canadian Municipal Securities and British, Foreign, and Colonial Public Securities, other than Canadian	562,614.75	
Railway and other Bonds, Debentures and Stocks not exceeding market value	16,900.00	
		$2,891,454.56
Other Current Loans and Discounts in Canada (Less Rebate of Interest)	$1,092,208.80	
Loans to Towns and Cities, Municipalities and School Districts	13,495.00	
Mortgages on Real Estate sold by the Bank	6,770.65	
Overdue Debts, estmated loss provided for	46,546.16	
Real Estate other than Bank Premises	12,094.89	
Bank Premises not exceeding Cost	170,608.14	
Deposit with the Minister of Finance for the purpose of the circulation Fund	19,750.00	
Other Assets not included in the foregoing	50,572.39	
		$1,412,046.03
Total		$4,517,119.48

Statement of the Results of the business of the Bank for the Year Ended December 31st, 1918

The Balance at Credit of Profit and Loss Account on December 31, 1917	$ 4,222.00	
Net Profits for the year ended December 31, 1918, after deducting expenses of management, payment of taxes, and making necessary provision for interest due to Depositors, and bad and doubtful debts	$74,343.46	
		$78,565.46
Appropriated as follows:		
Dividend No. 14 at 5 p. c. per annum, payable September 21, 1918	$10,533.25	
Dividend No. 15 at 7 p. c. per annum, payable February 21, 1919	14,746.55	
Written off Fixtures	3,842.65	
War Tax on Circulation	3,985.12	
Transferred to Reserve Fund	40,000.00	
		$73,107.57
Balance carried forward at Credit of Profit and Loss Account		5,457.89

ALEX SIMPSON,
President

H. O. POWELL,
General Manager

AUDITOR'S CERTIFICATE

In accordance with the provisions of sub-sections 19 and 20 of Section 56 of The Bank Act, I report as follows:

I have audited the accompanying Balance Sheet with the books at the Head Office and the certified returns from the Branches.

I have obtained all the information and explanations that I have required and am of the opinion that the transactions of the Bank, which have come under my notice, have been within the powers of the Bank.

I have checked the cash and verified the securities representing the investments of the Bank at the chief office at a date other than and in addition to the verification at December 31, 1918, and find that they are in agreement with the entries in regard thereto in the books of the Bank.

In my opinion, the Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Bank's affairs, according to the best of my information and the explanations given to me, and as shown by the books of the bank.

Winnipeg,
March 14th, 1919.
D. DEWAR, C.A.
Auditor.
(of the firm of Marwick, Mitchell, Peat & Co.)

NEWS AND VIEWS FOR MANAGERS

THE CLAIM OF THE BANKER FOR MORE SALARY

Some Arguments in Favor of Advances at This Time

IS A BIG QUESTION

Supply and Demand Are Factors, But Lack of Organization Should be Considered by Employees

Are the bank managers and other members of the staff—especially those in the more responsible positions—sufficiently paid for their services? Don't everybody speak at once. I know the answer is just about unanimous — at least until you get very high up the scale in the direction of general manager. The situation has been emphasized since the outbreak of the war and the rapid advance in the cost of living. Many of the banks have been giving bonuses and some have been making allowance for war conditions, but it is very doubtful indeed if these advances coupled with moderate salary increases have been sufficient to balance up the shrinking value of the dollar.

The Wall Street *Journal*, which, like the FINANCIAL POST, is read by many bank officials and directors as well as directors of trust, loan and insurance companies, and heads of bond, brokerage and other financial houses, which are employers of non-unionized skilled labor, remarks that "paying bank tellers $27.50 a week is one way of taking chances with the depositor's money." Further the *Journal* believes that "this question of wages for a badly protected class needs ventilation; it is time to say something to employers who are not directly troubled with unionized labor" and points out:

> It cannot be too often repeated that a man in a responsible position, handling not only the bank's money, but the money of those for whom the bank is the agent; responsible for the slightest slip, the most minute carelessness; bound to have his wits about him all the *time*—should be paid a wage which will keep him above the reach of temptation, unless he is wilfully crooked.
>
> Our banks make large profits, and proudly point to the increased surplus for the year and the additions to capital account. But some day some one with a little brains, with his heart and courage in both hands, will unionize the bank clerks, the tellers and even the cashiers, and they will have a constructive interest in the well-advertised undivided surplus. This is not Bolshevism; it is plain common-sense addressed to business men, and in the interests of those who, with industry and application, will be our bankers and business men of the future.

A Matter of Business

The matter is one to which the controlling officials of the banks should give earnest consideration. Profits, as shown by the various annual statements, have been large and in the making of these profits the employees have been a factor. To increase their salaries accordingly is not sentiment nor is it socialism; it is simply good business to offset discontent. That this side of the question is appealing to some of the British banks is indicated by the following from the annual report of Barclay's bank:

> "Our profits in the future will also be affected by the higher salaries which we are paying to our staff. We were very glad to be able to increase the salaries very substantially, and the adjustment was needed because of the higher cost of living. Our staff also have given us the most loyal, ungrudging service during the whole period of the war, and in times of heavy pressure, and the shareholders will, we feel sure, endorse our policy that good work deserves good pay. We have given to our staff an increase of 20 per cent. (with a maximum of £200) to their salaries up to and including those in receipt of £2,000 per annum, and in addition a war bonus of 30 per cent. (with a limit of £100). This is, in fact, a total increase of 56 per cent. on the smaller salaries, and we feel confident that the shareholders will approve."

On The Other Hand

However, it should not be overlooked that there is another side of the question. The law of supply and demand applies to clerical as well as other classes of labor. Often we hear of the man who says he worked in a bank until he had sense enough to get out. But it does not follow that all or many would benefit by a change. The vast majority of bank employees are probably as well off or better off in their present positions as they would be in others. Not every man is a born executive and while the bank system may have a tendency to hold back some men who might otherwise develop more rapidly it undoubtedly makes many others bigger than they would have been without the special training they have secured and they would suffer rather than benefit by a change.—J.W.T.

A U. S. BANK PROMOTER

Frank McDonald Wanted by Law in Idaho and Wyoming

CHEYENNE, Wyo.—Acting Governor Chaplin on March 18 refused to grant the request of the Governor of Idaho for the extradition of Frank McDonald, charged with having collected subscriptions to stock in a bank which he proposed to start at Armie, and then with having disappeared. McDonald was located a few days ago at Casper.

The extradition was refused on the grounds that McDonald is under bond to appear for trial for improper banking practices in Wyoming, and that this state has first claim to him.

GETTING AFTER THE SAVINGS ACCOUNT

A Direct Method, Utilizing a Personal Letter to Sell Service

While the banking fraternity in Canada has been inclined to look askance at what have been perhaps regarded as "circus" methods employed by American banks to sell service to the public, I have several times described some of these schemes with the observation that the time would probably come when some of the dignity would be taken out of the profession in this country to be replaced with business pulling psychology. Of course such changes come slowly but it is not difficult to see evidence of the tendency in the following letter recently sent out by the Bank of Hamilton:

> Winnipeg, Man., Mar. 24, 1919.
>
> Mrs. J. Doe,
> 287 Money Ave.,
> Winnipeg, Man.
>
> Dear Mrs. Doe:—
>
> We should like to call your attention to the advantages of dealing with this bank, and to the painstaking efforts to render you helpful banking service through any of our several departments.
>
> We feel that the rapid and continued increase in the number of our Savings Bank customers indicates that our efficient service in that department is becoming more generally appreciated by the public.
>
> With the first dollar you can save open an account. Just go direct to our Savings Department and inform Mr. ———, the officer in charge, that you wish to open an account.
>
> It is possible that there are other details of the service we offer with which you are not familiar. The special facilities of our Collection Department, Bond Department, the buying and selling of Foreign Exchange, Letters of Credit, telegraphing money, and, last but not least, the great convenience of a checking account—these are just a few of the points of our service.
>
> Do not hesitate to call whether you wish to open an account or to ask a favor, and you may be assured of our best attention at all times.
>
> Yours very truly,
>
> ———
>
> Manager.

The letter has several very good features as a direct selling factor. The idea of giving the name of the officer in charge of the department to whom the new customer can go is particularly good as it gives an opportunity for removing that feeling of embarrassment which those unacquainted with banking rules and customs often feel when entering the rather awesome premises in which they are surrounded by mahogany, brass and marble and where the human equation seems to have been reduced to the last decimal.

On the other hand there is another point which seems to be rather tactless unless the affairs of the prospective depositor are particularly well known. Note the reference to "the first dollar you can save." The inference appears to be that Mrs. Doe has never yet saved a dollar. If she hasn't then she must be one of a very few in these times of "little" dollars. If she has then she is likely to resent the implied gathering together of pennies to make up that dollar to take down to the bank.

However, the fact remains that this letter is significant of the tendency to use direct methods in getting bank business and ideas are likely to advance quickly along this line when once the movement is started. Competition is becoming too keen to guarantee the preservation of all the old-time dignities of the profession.—J.W.T.

TO STOP GOLD EXPORTS

Sir Thomas White Gives Notice of Proposed Action

OTTAWA.—Sir Thomas White has given notice of a resolution providing that the Governor in Council may by proclamation from time to time declare that the export of gold coin, gold bullion and fine gold bars from the Dominion is prohibited, except in such cases as may be deemed desirable by the Minister of Finance under licenses issued by him. The bill to be based upon this resolution, when passed by Parliament, will give the Minister of Finance more complete control of the export of gold. It is provided that this change in the existing law will be in operation only for two years after the termination of the war.

EXPERIENCE VS. TRAINING IN THE BANKING FIELD

Bank Inspector Speaks of Leading the Horse to Water, Etc.

BREEZY WESTERN VIEW

Vancouver Manager Thinks It More Important to Know Local Conditions Than Foreign Problems

That the training of men for bank managerships should be practical rather than technical is the view contributed to the discussion which has been conducted on this page recently by the inspector of one of the most progressive of the big Canadian banking organizations. He mentions the old saying about the steed and the water trough to emphasize the point and emphasizes that "bank officers already have certain facilities for study placed at their disposal and are surrounded by many opportunities for learning their own and other people's business if they want to take advantage of them"; also he states that in many instances too much study means too little time devoted to those "personal contacts which are so essential to business success in a country such as this."

In somewhat similar vein is the breezy Western contribution from P. G. which follows; he takes the attitude that the bank manager should be more interested in the size and color of the products of Strawberry Valley—if located there—for instance than the rate of exchange between Borneo and the Fiji Islands (if any).

The point of these contributions, however, does not appear to me to discount the importance of the training bank men but rather to emphasize the necessity for practical instruction and advice.—J.W.T.

Your invitation to discuss specialized training for bank men strikes in me an interesting, also an inspiring, note—but not a new one. I speak not as one having any authority, but some experience. In the old days—20 years ago—when the Canadian Bankers' Association offered annual prizes for essay writing I competed for and won one of them. Later I was "amongst those present" at more than one abortive attempt to institute plans of technical education for bankers and bank clerks; when Queen's University offered its Fellows Course I enrolled and added F.C.B.A. to my name. (It has taken me about a minute to recall these correct letters; so important is the degree to me)!

In the course of my studies I have become conversant with laws governing the starting of a bank in France and Germany, the arbitrating of exchange between Calcutta and Buenos Ayres as carried on from New York, and many other intricacies, which, in the normal course of human expectation, I shall never be called upon to take part in. That sort of "educational campaign" is really of quite doubtful value; you see the powers that be divide all the budding bankers, just instinctively, into classes (more classes than the two you mention). First there is the youth of average ability but no personality, some day he'll be a pretty reliable assistant accountant in a large office being hated by the juniors for his testiness. In fact he'd be manager of a small branch except that the customers will not be as long-suffering as the juniors. Second there is the man of extraordinary industry and foresight who still is lacking in personality, whose bearing to the public will get the bank "in wrong;" that's the man for audit officer, inspector or even general manager. Third, the chap the bank is looking for, who has much common sense, clean and loyal record, and who is, above all, a fellow you like and like to agree with. Here is the "successful banker" the average branch manager who holds his staff by the same affection and loyalty he feels for them, and wins the public for the bank.

Practical Experience Wins

Now, Mr. Editor, if you are general manager and know these important elements in your men, is it of any great importance to you whether the bad-tempered assistant accountant has attended a winter course of lectures, or whether the manager at Lonleyhurst who has doubled the deposits in eight months has become an F.C.B.A.?

The steel expert, the pulp mill manager, etc., would be all right as lecturers, and many of us would without doubt attend, but their advice would apply practically to only a few bankers in each city. Medical specialists are comparatively rare, and there is really less room for specializing in the banking business.

Just as the study of mankind is man, what our bankers need in Canada today is a greater sympathy with and knowledge of their localities. A Vancouver banker recently attended a convention of the bankers in a certain county of Washington state, and was amused and amazed at the plans discussed by different presidents and cashiers for the development of—not their bank but—their district. If a new creamery started in the Ukulele Valley, or an iron foundry, or a college, it is about four to one that the energetic president of the Ukulele State Bank was responsible. It is education along this line which is wanted, and it must begin at head office. Our banking system places us at a distinct disadvantage in this particular, as of course the branch manager cannot be given leeway to develop the community with the bank's prestige and money. Still, education as between H.O. and the young branch manager may well commence, has in fact commenced, in the way of offering prizes for pig-raising, etc. But it might well go along for a great way yet until that emotionless, concealed entity vaguely known and misunderstood by the community public as head office, shall have entered into being shall I say with the aims and views of the man with the hoe, the man in the shop, etc. The unpopularity of the Canadian banks which you have been discussing is of course a lack of understanding, and the education necessary is along the lines of establishing a parity of exchange as between H. O. and the customer, and which will result in the disappearance of head office (so far as the public is concerned) as a critic of local aspirations and a scapegoat.—P.G.

APPOINTED SECRETARY

Cecil S. Wainwright Gets a Well-Merited Promotion

Cecil S. Wainwright has been appointed secretary of the Western Assurance Company in succession to C. C. Foster, who has retired. Mr. Foster has been secretary of the company for 29 years, and Mr. Wainwright assistant secretary for twelve years.

Midvale Steel & Ordnance Co., has issued its pamphlet report for the year ended December 31, 1918, showing net income after charges and Federal taxes, of $29,208,537, equivalent to $14.60 a share (par value $50) earned on the $100,000,000 outstanding capital stock, as compared with net income of $35,576,560 or $17.78 a share in 1917.

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When a farmer needs information and advice, it is frequently from his banker that he seeks it.

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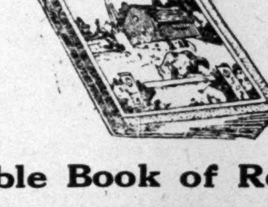

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TORONTO, APRIL 5, 1919

BUSINESS, SENTIMENT AND THE G. T. R.

THE matter of a fair deal for the shareholders of the Grand Trunk Railway in the event of that system being taken over by the Government is not a question of sentiment. It is a question of business. Sentiment—or good will—is a factor in business, which is becoming more and more recognized. The good-will of the British investor is a national business asset of Canada.

The Canadian Government has a technical and legal right to exercise the letter of its bond. Like Shylock, it can demand its pound of flesh. But we doubt whether even Shylock would have been so unbusinesslike as to have pressed his claim if he had been looking forward to a time when he might have need to borrow from Antonio. Canada's development in the past has been largely made possible by the investment of British capital. Since the outbreak of the war British capital has been busily employed in saving the democratic world from German control, but if we look deeply enough we will find that indirectly, through investments in foodstuffs and munitions, it has still been an important factor in our national prosperity. Now that the war is over and we are looking forward to the development of our vast national resources, it behooves us to cultivate rather than to destroy the confidence and good-will of the British investor. That there is danger of this is indicated by the attitude which has been taken by the British financial press and other journals including *Canada*, an interpreter of Canadian conditions and sentiment to British readers, which, generally speaking, is always favorable to what it considers our best interest. We quote:

> It is unfortunate that the reason assigned for the refusal of Goevrnment aid was that the Government had been unable to come to satisfactory terms with the directors of the G.T.R. for the purchase of the whole system. We say it is "unfortunate" because the terms offered by the Government are so harsh as to be quite unacceptable to the shareholders, whose holdings represent money actually expended on their property, and not mere promoters' shares. Certainly by its action the Government has hastened the settlement of the question of expropriation, and the shareholders must now face the problem and protect their property.

Further, *Canada* says that Canadian public opinion has been misled into an improper understanding of the position of the Grand Trunk shareholders by the Drayton report and suggests that the directors of the company should explain their case more fully and distribute their statement widely so that this bias may be removed and misconception and ignorance dispelled.

This point regarding publicity of an educative character is well made. Public opinion is usually fair and just when it has knowledge of all the circumstances. The case of the Grand Trunk shareholders would be strengthened by the wider distribution of the important facts regarding the position of the company and their relations thereto.

FINDING A JOB FOR THE IDLE M.P.

THERE was a time when the member of Parliament, when he came to Ottawa, carried with him as the most important part of his baggage a little black book, which he had occasion very frequently to consult. It contained names of these who expected a grateful member of Parliament to see that a grateful country remembered and remunerated then in some substantial way for performing that mysterious rite known as "getting out the vote."

When this matter of patronage was abolished—as, officially, and to a large extent, practically, it has been—it left the member of Parliament with a considerable amount of time on his hands to devote to the affairs, not of private and avaricious individuals, but of the country as a whole.

The member of Parliament cannot now be said to be overworked. He very often finds time hang heavy on his hands; and before the session is very old he finds life at Ottawa more or less of a bore. If his leisure were directed into useful channels, there is a great deal of work for the good of the country which he might do.

There is scarcely a man in the House who has not a considerable amount of useful knowledge along some special line; and THE FINANCIAL POST'S Ottawa representative suggests that a great deal of use could be made of this knowledge by the formation of more special committees. Take, for example, the matter of labor unemployment in the West—something which is constantly recurring, and for which no serious attempt at a solution has ever been made. A special committee of Parliament might secure complete information on such subjects, and make recommendation which would help to remove the cause, or, at least, alleviate such situations when they arose.

There are dozens of trade problems, on which it is apparently impossible to secure any information; among the membership in the House are leaders in nearly every line of business. The formation of special committees to deal with such subjects would employ the time of the members to good advantage, and should make Parliamentary life more interesting for those members, particularly, who take no active part in the debates. There are members in the House whose voices are never raised in debate; and others whose voices would be better silent: both classes might very well be advantageously employed on special committees dealing with matters of great national importance, which are now largely neglected.

THE MUNICIPALITIES SEEKING LIGHT

THE Clarkson Hydro report as finally published shows only totals up to October 31st, 1917, of the amounts charged each municipality and received from the Government, and shows as recorded the balances either deficit or surplus of each municipality without much details of how these amounts are arrived at.

It is reported, however, that the municipalities interested, who are liable for the huge expenditures made to date, are developing a spirit of unrest and are demanding direct representation on the Provincial Commission. THE FINANCIAL POST believes this is a logical claim. If the Government looks to the municipalities to stand behind their guarantees, then the municipalities should elect their Board of Directors in the same manner as shareholders in a company.

We hope the municipalities will succeed in securing at least one representative on the commission, and if so, that they will select a man competent to cope with the arbitrary Chairman, Sir Adam Beck. In advance of such an appointment, and THE FINANCIAL POST would call the attention of the new commissioner to the jumbled-up condition of the Sinking Fund Account. The old commissioner has ignored the law in as much as no charges have been made to any of the municipalities for sinking fund for the first five years of their operation.

The result is that the proper adjustment of this account is now practically impossible, as of course, the earliest municipalities who joined the Hydro ring, should have been charged with all the sinking fund cost in the first years of operation, but now that several of the smaller towns have come into the fold the proportion to be charged the larger places like Toronto and London is altogether changed.

The net result of this kind of accounting is that the first comers are exempted from a large part of their just contribution to the fund, and the smaller places that are less able to stand it are saddled with an unfair proportion.

THE FINANCIAL POST has always advocated more supervision of Hydro affairs and it hopes the new commissioner, whoever he may be, will make it his business to see that an equitable division of the cost of power is made.

EDITORIAL NOTES

SIR ADAM Beck has not yet been able to get the Toronto City Hall as completely in his power as the Provincial Legislature, but he is doing well for a start.

* * * * *

AT THE British Industries' Fair held recently in London, according to the official figures given, there were twenty-three buyers from Canada. Evidently all our trade interest is not centred in exports.

* * * * *

FOR many years the American Government has been investigating business of various kinds with the object of showing up practices that were immoral and illegal. The *Bankers' Magazine* says that there are thousands of business men who would now like the Government investigated with the same end in view.

* * * * *

"YOU are born to win rather than to be right," is what a fortune-teller might have forecast for the career of Sir Adam Beck, in the opinion of the London *Advertiser*. Perhaps no one sentence could more fittingly or more kindly sum up the horoscope of the Hydro demagogue. IT HAS been said that Canadian public opinion is likely to echo round the universe before it reaches Ottawa. This would seem to be the case to judge from the debate on the daylight savings proposal.

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WHEN the Toronto *Globe* makes such statements as: "The West has as much right to a fixed price for wheat as a woollen manufacturer to a protection of 42½ per cent.," it is not surprising that broad-minded business men are coming to regard it as the most dangerous editorial force in Canadian journalism. Half-baked logic and near truth are a subtle menace when public opinion is in the making. WONDER if Sir Adam Beck ever thought that when he demanded Government assistance to finance his wooden pipe line at Niagara that the bill might be passed on to Germany.

* * * * *

THERE should be no more powerful lever for the construction of a sound peace trade organization within the Empire than our trade newspapers, which are the eyes and ears of industry. The Association of British Trade and Technical Journals in London, which represents over 150 trade newspapers, has started an organization for bringing buyers into touch with sellers and producers throughout the Empire. The service will consist in supplying gratuitously particulars to buyers of where they can obtain the best sources of supply, and sellers of raw material can get into touch with buyers. The announcement of this arrangement is to receive wide publicity in the principal newspapers of the Empire and South America.

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THE proposal contained in the admendments to the Trust and Loan Companies Act to limit investments in outside companies to 15 per cent. is one of those cast-iron regulations which Governments like to put through with the ostrich-like idea that because they will not look at the problem in a practical way the public will likewise fail to see the real situation. What is wanted is that there should be practical supervision by an official with experience in the conduct of loan companies, who in turn would be jointly responsible to a committee representing the Government and the companies themselves. The 15 per cent. clause does not solve the difficulty; it might be better that a company have a 50 per cent. investment in a good proposition than 5 per cent. in a poor one.

SOME ADVANTAGES OF THE LAND TITLES ACT

Points of Improvement Over the Registry Office System Are Outlined and Objections Effectively Disposed of

By GEORGE H. MUIRHEAD   Deputy Master of Titles at Toronto*

This paper will deal particularly with the workings of the Land Titles Act and the advantages claimed for it over the old established Registry Office system, for whatever the form and method of the conveyance of land, the main thing is to be certain that it has accomplished what was intended of it, and has actually conferred a good and valid and incontestible title upon a purchaser. Under the Registry Office system you have to depend upon the certificate of the solicitor employed to examine the title, who may be a man of greater or less skill and experience, and when you come to sell, you very likely will find your purchaser's solicitor is able to discover some kink in the chain that your own adviser has overlooked or though unimportant, or a document may have been lost or misplaced. Only lawyers know how much anxiety and misgiving some extremely zealous and persistent investigator is able to provide for his professional brethren, and if a parcel of land changes hands six times in a year then six times in a year will the same routine be followed back to the Crown all at so much per hour (and likely to be increased in accordance with the high cost of living) probably by six different solicitors, and after all this the last purchaser has even yet no safe and sufficient guarantee that everything is in shipshape.

Under the Land Titles Act, if defects are not observed at the outset by the Master of Titles, but became apparent afterwards, they can still be remedied so long as the original applicant remained the registered owner of the land, but if the land had been transferred to an innocent purchaser a valid claim would arise against the assurance fund.

Mr. Holmstead, after outlining some technical difficulties of the Registry system, says: Now, let us see what the Land Titles Act is intended to do—but, first, I may tell you what it does not do. It does not pretend merely to record the fact that a deed or instrument has been made; and it does not permit instruments to be recorded as instruments affecting the title, which are, in fact, of no more legal effect than mere waste paper, as we have seen that our present system of registry does. What the Land Titles system aims at doing, and actually does, is to record the title, that is, the legal effect of all instruments affecting the land. In order to bring property under this system it is necessary that the title of the person claiming to be first registered as owner should be investigated by a public officer and ample opportunity given by public notice to all surrounding and adjacent owners to assert any claim to the contrary; the title having been proved to his satisfaction, it is then registered—not the string of deeds under which the owner claims, but the fact that the person who has thus established his title is the owner of the property; and if his title is subject to any qualifications, mortgages or otherwise, these are also specially stated in the register. This is known as an "absolute" title.

But there are cases where a difficulty may arise in making out a perfectly good title, and even these cases may be registered under the Land Titles system. In such cases where a good prima facie title is shown, the person appearing to be the owner may be registered in this modified way, viz., so that the title up to its first registration under the Land Titles would not be guaranteed and any person dealing with a title so registered would have to satisfy himself as to the goodness of the title of the person first registered, but all subsequent transactions would be under the Land Titles system, and would be guaranteed. By this means the chain of title which it would be necessary to investigate would stop at the first registration, and in process of time such title would be capable of being fully registered without much expense. This is known as a "qualified" title.

If you want, therefore, to ascertain the state of a title registered under the Land Titles system, you go to the office and instead of having to search through a long list of deeds, as under our present registry system, you are shown a book, on one or more pages of which is set out distinctly who is the present owner and what charges, if any, affect his title; and you have all the information in a narrow compass which it is necessary for you to know in order safely to deal with the person claiming to be the owner, without the necessity of going into any antiquarian researches, as to who owned the property registered under the Land Titles system you run no risks, as to the title; the risk and responsibility of determining the legal effect of instruments affecting the title is taken off your shoulders by the public officer, because no devolution of the title can be recorded until he is first satisfied of the legal validity and sufficiency of the instrument by which it is effected, and even should he by chance make a mistake, persons who would otherwise suffer are guaranteed compensation for any loss occasioned by the mistake. The results of the Land Titles system, therefore, are certainty of title, expedition in showing title, and the avoidance of the great expense attending the investigation of titles under the old system, and a guarantee against loss arising through mistakes.

Mr. Mason sums up the objections usually met with regarding the general substitution of the new system for the old under five headings which seem still to cover the ground, so I will take the liberty of referring to them briefly in order.

First, that the new system will reduce the income and emoluments of the present registrars. This, it was felt, should not have much weight, for, as a matter of fact, in most cases the registrars would be made Local Masters of Titles in their particular districts and, anyway, a matter of general public concern should not be retarded by reason of some immediate disadvantage to individual interests. Out of 14 Local Masters of Titles at present, all but 4 are also registrars of deeds.

The second objection mentioned was that it takes from the legal profession a portion of their business. After all these years of experience in the city of Toronto it can hardly be said that the validity of this objection has been made apparent. Professional services are necessary in bringing existing titles under the act and as a matter of actual practice only a very small portion of the work of the office is done by others than members of the legal profession, a great majority of whom, apparently, are very much alive to and in full sympathy with the overwhelming advantages of the Land Titles System.

The third objection was that it tends to centralize the business of conveyancing, but this can be dismissed without comment for it is well known that in practice no difference exists between business which must be carried on in the Registry Office and that which belongs to a Land Titles Office. Almost all the work of the Land Titles Office is done by personal attendance at the office by solicitors or their clerks, and only a very small proportion is carried on by mail.

The fourth objection was that it involves considerable expense to present holders of property. It is true that at the outset it may seem quite an expensive matter to bring a parcel of land under the Land Titles Act, such expenses having to cover an exhaustive investigation of the title, the cost of public advertising, and the contribution to the assurance fund provided by the act. There has been some controversy as to this latter item—the percentage which should be paid into the assurance fund—but, apparently, no one has been greatly dissatisfied, at least to the extent of agitating for a reduction of the rate.

Perhaps the fifth objection is the one entitled to the most weight in trying to discover why municipalities and the province at large have not availed themselves of the beneficial provisions of the Land Titles Act. It is a fact that it certainly does require an expenditure of a considerable amount of public money in providing fire-proof offices, the payment of salaries to new officials, the providing of the necessary outfit of books and other requirements, but it was then submitted by Mr. Mason, and it is still submitted by those who are advocates of the Land Titles system, that the initial expense is very soon overcome by the saving which is effected in so many ways under the new system and by a consideration of the pre-eminent advantages which are to be gained therefrom.

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*A paper read before the annual meeting of the Dominion Mortgage and Investments Association.

PERSONALS

H. C. FLOOD, who was appointed some months ago as manager in Montreal for the Eastern Trust Co. has resigned to become a member of the bond house of Nesbitt, Thomson & Co.

HENRY R. FIELD, who for the past six years has been in Montreal as manager of Tobacco Products Corporation, was tendered a stag dinner on the eve of his departure for Buffalo, where he will enter business for himself.

F. T. SHORT, the secretary and treasurer of the new Park-Union Foreign Banking Corporation of New York, was for a time agent of the Union Bank at New York just after it was opened, and takes with him in his new work experience gained in a successful Canadian banking career in the service of the Union Bank in all parts of this country.

CAPTAIN AUSTIN IRVINE, M.C., has been admitted to partnership with Craig and Luther, members of the Montreal Stock Exchange, and the business will be continued under the name of Craig, Luther and Irvine in future. Before going overseas as medical officer of the 245th Battalion, Capt. Irvine resided in Montreal. He served with distinction as medical officer with the 87th Battalion, Grenadier Guards, in France, and won the honor of the Military Cross at the fight at Passchendaele.

W. H. ARDLEY, comptroller of the Grand Trunk Railway System, retired this week from active service, under the superannuation plan of the company, and was presented by the staff of the accounting department with a gold set, including watch, chain, pencil and knife and a purse of gold. Mr. Ardley has just completed 36 years' service with the Grand Trunk, commencing as junior clerk, and held various offices of chief clerk, general bookkeeper, auditor of disbursements, general auditor, and finally comptroller, to which he was appointed some years ago.

W. J. DAWSON, who has been elected vice-president of the new Park-Union Foreign Banking Corporation of New York, is a Canadian banker of long and varied experience who was for a number of years manager of the Hamilton branch of the Union Bank of Canada, and is now first agent of the bank at New York. Mr. Dawson's present position, backed by his intimate knowledge of Canadian conditions, will enable the Park-Union Corporation to keep closely in touch with conditions in the business and financial field on this side of the international border.

CURRENT OPINION

Under this heading are published, for the information of our readers, the views of leading newspapers and individuals.

Their reproduction does not imply their endorsement. On the contrary, the investigations of THE POST'S editors often lead to entirely different conclusions from those quoted below.

SIR ADAM BECK CARRIES PEOPLE'S HOPES IN POCKET

London Advertiser

Sir Adam Beck streaks the horizon of public life of Ontario—or should we have said Canada?—with a lurid flash. Some time or other in his history, one is inclined to conjecture, a gypsy fortune-teller must have taken his hand and then looked up surprised at what she found. "There is destiny written here," she may have said. "You are born to win rather than to be right." And Sir Adam has run true to the seeress' prophecies. Sir Adam would rather win than be premier.

Those who are born with an instinct to cheer the winner are by far in the majority. The world has no time for a second place runner, and Sir Adam has managed to burst home ahead of the field on almost every occasion he ran. He has won his contests and he has entered more races; that he has loaded weight on the contenders was not noticed by the crowd, nor is it always known that "dope" of public favor was squirted into the viens of this great stake horse.

Perhaps there is no man in Canada with so great a responsibility to the people of Canada, yes, even to unborn generations, than Sir Adam Beck. If his career is based upon a passion for winning, a thirst for the conqueror's honors, and a feeling that to hold dominant place is above all things, he will some day go down at a time when the public is backing him with its last dollar. If he is inspired altogether by a love for the people and a desire to advance the public weal, then no matter how wrong he may be in a financial or logical sense he may prove in history to have been the divinely-sent son his admirers see in him.

He has recently come through a campaign at Hamilton. Some say against tremendous odds. Yet without these "tremendous odds" would he have won? Is it not logical and honestly-interested opposition that keeps Sir Adam among the leading winners? Is not that the thing he plays to bring up the odds? Doesn't he get the crowd to clamor so wildly at the other entries that he breaks their spirit, and wins when the fogs of noise fall over the back stretch? Is not that when he does his hardest running?

Sir Adam knows what is in his heart. He also knows what is the innermost working of each of his undertakings. There are many who because they dislike him spill over every hurdle and end up in a sorry broken condition. There are many other who realize that the failure of his schemes would mean worse than disaster for this province, and they will pray that all his dreams, if dreams they are, may come true.

MRS. WILLARD STRAIGHT CAUSING ALARM

"Certain wealthy women are supplying funds for the Bolshevik and other revolutionary propaganda now going on in America," the U.S. Senate Investigating Committee was informed by one of the prominent Bolshevist witnesses. Mrs. Willard Straight's attitude and actions at once came to the mind of those familiar with what is going on. Mrs. Straight was Dorothy Payne Whitney before her marriage to Willard Straight, who recently died in France. She is enormously wealthy. It was the Straights' money which founded The New Republic, which is now looked upon by the Bolshevist fraternity as one of the most influential players of their game. They constantly quote articles from it. Attempts to dissuade Mrs. Straight from backing up this insidious sheet have failed. She has also been deaf to all appeals to cease various other activities. Her attitude towards certain professional gentlemen of notorious record is causing alarm in society circles. Advocates of free love are not regarded as proper persons to educate and influence the minds of young girls. Conditions at one well-known college for women are declared to be most disturbing. So far the authorities have not seen fit to make any public exposures, but they are collecting all the facts. It is a pity that the Senate Committee did not summon Mrs. Straight to appear before them in order that her views and her actions could have been laid bare. She and other well-to-do "parlor Bolshevists" are toying with dynamite.

New Issue

$517,000

City of Hamilton

5½% and 6% COUPON GOLD BONDS

Dated 1st February, 1919. *Due 1st February, 1920-1939.*

Principal and half-yearly interest (1st February and August) payable at Hamilton.
Denominations: $1,000 and odd amounts.

Total Assessed Value........................$88,267,195
NET DEBENTURE DEBT........................7,187,975
Municipal Assets........................20,049,369

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INVESTORS' INQUIRIES

Information under this head is given in answer to direct requests from investors who are readers of THE FINANCIAL POST. Many questions respecting securities are answered by mail direct. We would remind correspondents that it is now necessary tr enclose 3 cents in postage stamps to cover postage on answers direct.

WAYAGAMACK

J.H.E.V.—"Kindly advise me as to the following: Are Wayagamack first mortgage 6% 32-yr. bonds a safe security as an investment and a good buy at 88? Is Wayagamack stock an investment and a good buy at 50?"

First mortage 6 per cent. thirty-two year bonds of Wayagamack Pulp and Paper Co., would appear to be a safe security and a fairly good investment at present market pricees about 88. The position of the company in connection with the accounting and other points has been improved during the past year or so and the earnings for 1918 were sufficient to leave a surplus of $544,000. In the past four years bank loans of over half a million have been paid off and the net working capital of the company was greatly increased during the past year. The earnings of the company last year were nearly sufficient to pay four times the amount of the bond interest. The security behind these bonds is not as good as some others on the market but we think it would be safe for you to invest in them at the present market prices.

In regard to the common stock. We hardly advise an investment at the present price of 50. Nothing is being paid as a dividend on this stock and it is not at all certain that a dividend will be paid in the near future. The directors appear to be divided on this point some urging a 5 or even 6 per cent. and others declaring that the company will require all its working capital for several years for its own development. We understand that a new print mill may be constructed and this will require a good deal of money. The stock has held around the minimum of 50 for a long time and any efforts that have been made to increase the price have not been very successful. The stock moved up to 55 on a flurry of buying a few months ago but is down now again to 50. Even if 5 per cent. dividend is declared we do not think that this would mean an increase in the present price so much over 55 in any case. We have been informed that the pulp mill, for chemical pulp, has been closed down for several days and may be for some time longer owing to the falling off of orders for this from the United States. The kraft paper mill, which takes one-third of the output of the pulp mill, has all the orders it wants. The proposal for increasing the paper plant is so that it may be able to take all the pulp mill turns out, about 150 tons a day, and make this mill independent of outside markets.

SERVICE APPRECIATED

Editor, THE FINANCIAL POST

Sir,—I am very much obliged for your letters of the 18th and 27th in connection with the City Realty Investing Company. I had not anticipated getting such complete and detailed information, and I have some idea of the trouble to which you must have gone in order to secure it, and I appreciate the favor accordingly.

Yours very truly,
R. M. McD.

AMERICAN CYANAMID

A.S.T., Toronto.—"Can you give me any information regarding American Cyanamid common stock — the present position of the company and the future outlook?

The American Cyanamid Company is now engaged in readjusting its operations to a peace basis after having been engaged almost exclusively on war orders of the Ordance Department of the U. S. Government. The company has re-entered its ordinary maket, namely, the fertilizer industry and is developing the manufacture and sale of Ammo-Phos, the fertilizer material for which its plant in New Jersey was constructed but which had to give way to the pressing demands of the war. It is expected that this new material will find its market both abroad and in this country.

You will probably have noted that at the meeting of the board held on the 18th inst., the directors declared a dividend of 6 per cent. on the preferred stock on account of the aceumulated dividends amounting to 12 per cent. This has an interest to common shareholders as it indicates that the company is improving its position in relation to the liability on the senior securities. It is difficult from information in hand to base an estimate of the present market value of the common stock; transactions are very infrequent.

MONTREAL TRAMWAYS

C. A. L., Montreal.—As a subscriber to your paper, and being about to invest $10,000 in debentures of the Montreal Tramways and Power Company, I would very much appreciate your views on the above investment as regards security, etc.

The position we have taken in regard to these bonds from the first has been that there was ample security behind them. While they are issued in the name of the Montreal Tramways & Power Co., they are secured by 21,000 shares of the Montreal Tramways Co., that is the Tramways system of Montreal, and as this constitutes the majority of the stock of the Tramways Co., the whole Tramways system is behind the payment of these bonds. While the position of the Montreal Tramways & Power Co. in itself leaves a good deal of room for improvement, the fact that the whole Tramways system, of which the Montreal Tramways & Power Co. is the holding Company, is at stake for meeting the interest and paying off the bonds at maturity is a guarantee that both will be met. There is one other point that strengthens the positions of these bonds, and that is while the average electric railway company, has, not only in Canada, but in the United States, had difficulty in keeping up its dividends, and in many cases has been compelled to pass them during the war on account of high cost, the new agreement given the Montreal Tramways Company for thirty-five years by the Legislature in 1918, guarantees that the fares charged shall be high enough to enable the company to retain its present dividend rate at 10 per cent. The agreement does not say so in so many words, but the various clauses covering 6 per cent., for instance, on the assets, and other guarantees make it certain that the Tramways Commission must keep the fares at a point to enable the company to carry on without loss. It is this agreement then, that really gives the satisfactory security to the issue of bonds by the holding company, the Tramways & Power Company.

SPANISH RIVER COMMON

K.C., Hamilton.—"Would like advice as to Spanish River Common, first as to safety, second as to possibilities of advance."

We would class Spanish River Common stock as a decidedly speculative purchase. It is, of course, selling at a comparatively low figure, which precludes the likelihood of any very serious decline in value should the industry receive a set-back. On the other hand it will take several years of fairly prosperous times to put the preferred back on a regular dividend basis and the common shareholders cannot expect any return until after that task has been accomplished. In the meantime, while the industry is doing well at present, there can be no guarantee that it will continue to earn on as satisfactory a scale as at present and this consideration may retard the rehabilitation of the company's finances. Apart from these possible contingencies, we have a good deal of faith in the future of the company. It is well managed now; is preeminently a newsprint producer, for which there is a large and increasing demand; and there is every reason to believe that prices will be maintained at a level which will ensure profitable operation. While there may be small fluctuations in the common stock in response to various market influences, we do not anticipate any pronounced advance for some time to come.

TORONTO RAILWAY

M.L., Montreal.—"Could you enlighten me about the Toronto Railway subsidiaries. Will the shareholders benefit from them after the expiration of the franchise? I paid 107 for my shares; do you think I have a chance to get any money back if I hold them?"

We are not able to obtain any more definite information regarding the subsidiaries of the Toronto Railway Co., than is contained in the official statements issued by the directors. These statements are far from satisfactory in the amount of information they give. The affairs of the company are very much unsettled both as regards the present and future of the street railway itself as well as the power subsidiary. We understand on good authority that such has been the effect of increased cost of operation on a fixed income, together with the necessity for supplying new equipment in accordance with thee orders of the Railway Board, that the decision has been reached to cease paying a dividend. The future therefore is very uncertain and we doubt if there is much likelihood of your ever securing the price you paid for this stock. At the same time it is questionable if it is advisable to sell at this time. The price has been driven down to a very low figure largely as the result of the treatment which has been accorded this company by civic and Provincial Government and we be lieve that the physical assets warran a much higher price if the company can secure anything like fair treatment in the carrying out of the franchise settlement in 1921 and in the conduct of its power subsidiary. You must remember, however, that the situation is a very unsettled one and it is impossible to forecast what the future may bring.

BLACK LAKE ASBESTOS

J.L.T., Paris.—"Can you you give me any information as to the present situation and outlook for the Black Lake Asbestos and Chrome Company. I bought the preferred stock at $9.50."

While the ending of the war with its effect in reducing prices for the products of the Black Lake Asbestos and Chrome Co., and the unsettling of the consuming market have had their effect upon the affairs of the company the situation has more recently been showing some improvement. There is reported to be a very good market for asbestos for both domestic and export consumption and the improvement in the labor market will enable larger production. There has been a declining market both as regards demand and price for chrome since the ending of the war but the latest reductions in steel prices seem to have established a reasonable basis for the industry for the next year and this should reflect favorably upon the company's affairs.

Under the circumstances and considering the generally depressed market for industrial securities we think you would probably be well advised to hold this stock for the time being at least. However, the whole industrial situation is very much unsettled, particularly as regards labor, and it is practically impossible to forecast developments which have a direct bearing upon investment sentiment and security values.

ATTRACTIVE INDUSTRIALS

C.E.S., Alberta.—"Would be glad to have your advice and suggestion as to investing $8,000 which I have now available. I am now holding Dominion of Canada bonds, $20,000; Merchants Bank, 20 shares, cost $3,400; French Rentes, cost $1,650; Hollinger, 200 shares, cost $1,245; Imperial Oil, 5 shares, cost $1,751; Russian roubles, cost $3,000.

Would consider that your investments place you in a very strong position. Merchants Bank, Hollinger and Imperial Oil have evidently been purchased at fairly high figures but income is well assured. You have probably suffered a loss on Russian roubles but at best they were a long gamble and involved the fortunes of war.

As to placing further investments our opinion would be that with such a strong background of Government bonds something with higher yield would be attractive. We might suggest the better industrial bonds and preferred stocks. Industrial securities generally have been in disfavor for some time on account of prospective income taxation and readjustment of security values as the result of war issues. A number of the best preferred industrial stocks have shown considerable decline in the past two or three years, not because the technical position of the companies has weakened but for the reasons just mentioned. In fact the position of most of these companies from the preferred stock standpoint has improved as the result of increased reserves the passing of preferred dividends. Post-war readjustments are bringing their problems for industrial concerns but we believe that those manufacturing staples and well managed should have no difficulty in maintaining their dividend.

DOMINION CANNERS

J. M., Edmonton.—"Will you kindly give your opinion of Dominion Canners as an investment. This company has a large capital reserve, but has not declared a dividend and we would be glad to know what in your opinion is the reason of this action on their part and if you think they are likely to do so soon."

In view of the fact that after payment of preferred dividends, the 1918 statement of Dominion Canners showed a surplus available for distribution on common equal to 17.2 per cent., there would appear to be reasonable ground for the expectation that something would be done for the benefit of the holders of the junior securities. Emphasis would seem to be added to this argument by the fact that there was a previous surplus of profits of $990,338, making a total of $1,472,221, of which no distribution was made and which was carried forward as balance. The action of the market for the company's stock prior to the annual meeting held recently seemed to indicate that some action on the common was anticipated. However, nothing was done at the meeting, and no reference to the junior securities was made in the annual statement, although it was stated that "with the balance now in profit and loss, directors feel that the uninterrupted payment of preferred dividends is reasonably assured even through a period of depression."

As you are probably aware the canning industry in Canada was in very bad shape in 1914 when the war cut off export business and stocks became a drug on the market. The situation was only saved at that time by the formation of the Canadian Canners Co., a holding concern which has controlled the market to the advantage of Dominion Canners and other companies. In 1915 the company lost money but there were very large profits in 1916, 1917 and 1918. In view of the large surplus now on hand it would seem that the directors are taking the conservative course and prefer for the time being to maintain large reserves. Under these circumstances we do not think it is likely that anything will be done with regard to the dividend until the present year's results can be estimated. Reports in the trade indicate that although the company is well sold so far as its stocks are concerned there are considerable supplies in the hands of the retailers. On the other hand now that the war is over there would seem to be improved prospects for export business and Secretary Drynan is now in Europe looking into the possibilities of the export market. In addition to these uncertainties regarding demand there are what may be termed the normal factors for uncertainty as regards weather, yield, etc., of fruits and vegetables. Labor conditions, the market for tin and other cost factors also add to the uncertainty in the canning business.

Letters to the Editor

AS TO UNIFORM LAWS

Editor, The Financial Post,

Sir,—An editorial in THE FINANCIAL POST of recent date states that a reader from Moose Jaw asks in regard to the uniform law for the Prairie Provinces proposition, why it should not be made for all Canada. This point might be made more clear to him and to others who may wonder what we are driving at in trying to isolate the Prairie Provinces, and since some of the articles on this question originated from the writer, herein is the explanation, as he sees it, as to "Why not make it all Canada."

In the first place would say—go ahead and make it all Canada—that's what is wanted—providing there are not some laws that should be uniformed for certain provinces that would conflict between other provinces. If such laws exist the ideal would be to uniform them for the provinces wherein these conflictions lie.

It is contended that in the Prairie Provinces a large number of commercial laws conflict that should be made uniform, since conditions are identical, whereas for the other provinces these conditions are entirely different and require different laws.

The Association for Uniform Laws for Canada, a body working in conjunction with the Canadian Law Association, the personnel of which is composed of our leading lawyers, acting without remuneration, is engaged on this question, but the problem is—can sufficient headway be made by them in this uniformity to cope with the constant changes and amendments that are annually being put through? Particularly so, as the provincial representatives have such long distances to travel to get together, and they hold a meeting only once a year, and it is assumed can only spend a very small portion of their time on the work.

One reason why the articles above referred to were written, was in anticipation of a drastic farm machinery Act being passed by the Manitoba Government. The Act has been passed, and it comes into force June 2nd. Contrary to being at all harsh, it seems most reasonable, and if the Uniform Law for the Prairie Provinces campaign had anything to do with making it so, the work has been well worth while.

Would say the suggestion has been made that a committee of Manitoba, Saskatchewan, and Alberta representatives be formed to work independently on the uniformity of those acts which conflict in the Prairie Provinces. Such an independent body, it is thought, by being much closer together, could hold meetings more conveniently and more often, and spend more time on the subject and also be of appreciable assistance to the Dominion organization by co-operating with them. Perhaps the outcome of this affair will be shown by the results obtained by the latter organization.

Yours very truly,
G. E. WHITE.

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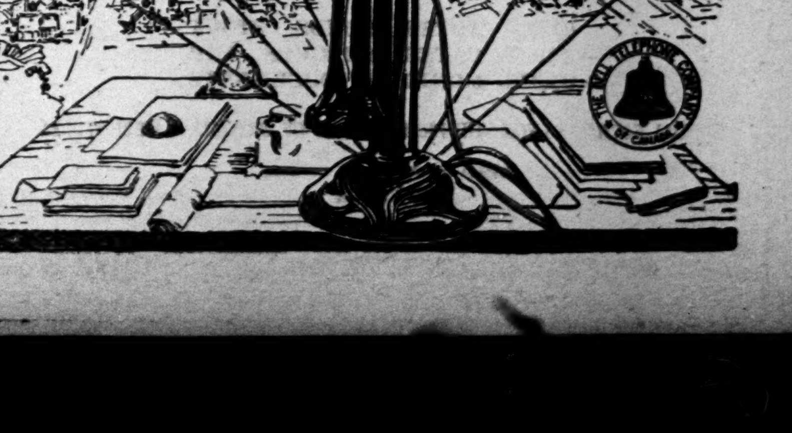

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NEWS OF THE BOND MARKET

BOND MARKET LAPSES INTO A DULL CONDITION

Not Very Much Activity Either in Buying or Selling

SALES OF THE WEEK

Peculiar Conditions Surround the Floating of Issues by the Towns of Weston and Walkerville

Conditions in the bond market are inclining to dullness, with only a limited amount of business being transacted. Some of the more recent issues, offered at the high prices lately prevailing, appear to be sticking somewhat. There is no disposition, however, to lower prices, it being felt that the present period of slackness is but temporary, and that, as investors find the firmness continuing, they will be forced to come up to the new rates. American buying has pretty well dried up for the present and evidently will not be a factor for some weeks to come. Victory bonds continue steady at around the hihest levels so far touched, which in itself is a very good indication that conditions are sound at bottom.

Two Topics of Interest

The Weston and Walkerville transactions have been the two features of the week. In the case of the Weston issue the question has been raised as to whether the municipality was justified in awarding the bonds to the second highest tenderer on the ground that the latter included in its offer a proposal to print the bonds for the town. In the case of Walkerville, the point raised was as to the policy of the town in declining to award its bonds because the price secured for a 6½ per cent. issue commanded too high a premium.

The Weston issue consisted of $60,000 6 per cent., 30-instalment debentures, for which some twenty bids were received. The high tender was submitted by R. C. Matthews & Co. at 104.46; the second by Brent, Noxn & Co. at 104.345. The bonds were awarded to Brent, Noxon & Co. at the latter figure, under the proviso that they would pay for the printing of the bonds.

Following is the list of offers received:

R. C. Matthews & Co.	104.460
Brent, Noxon & Co.	104.345
Wood, Gundy & Co.	104.260
Housser, Wood & Co.	104.230
J. F. Stewart & Co.	104.196
W. A. Dyment & Co.	104.170
W. A. Mackenzie & Co.	104.170
Aemilius Jarvis & Co.	104.050
C. H. Burgess & Co.	103.880
A. E. Ames & Co.	103.530
Canada Bond Corporation	103.270
G. A. Stimson & Co.	102.760
Turner, Spragge & Co.	102.670
W. L. McKinnon & Co.	102.383
C. R. Clapp & Co.	102.230
Mackay & Mackay	102.046
National City Co.	102.030
MacNeill, Graham & Co.	101.370
Canadian Bank of Commerce	101.000
Sterling Bank	100.520

Opinion is Divided

Bond dealers generally, with whom THE FINANCIAL POST has discussed the situation, incline to the view that no great fault can be found with the transaction. It is pointed out that the town stipulated that "the highest or any tender" would not necessarily be accepted, and, that in awarding the bonds as they did, the council were acting quite within their rights. At the same time, there exists an under-current of feeling that the municipality might very well have given other tenderers an opportunity to consider the new phase of the situation introduced by the printing offer.

Whether such a development as that which arose at Weston could be avoided in future by the establishment of more definite regulations is a question. Some dealers regard it as impossible to fix limitations, holding that both the municipality and the bond dealer should be left as free as possible in stipulating conditions. Others think that arrangements are capable of being more completely standardized than at present. In any event it would appear to be a subject which the Bond Dealers' Association might very well consider with a view, if it is thought desirable, to bring in certain recommendations which might serve as a guide in future cases.

Not Well Advised

The Town of Walkerville found itself in the peculiar position on Monday of being offered more money than it wanted. An issue of $45,000 bonds, part of which carried interest at 6½ per cent. brought such a premium that it was decided to be inadvisable to sell so high above par. Accordingly all tenders were rejected, the bonds will be re-issued at 6 per cent. and tenders will be called again. It is problematical whether the town will get as good a price, all things considered, when it holds its second sale, and it might have been advisable to take advantage of the very excellent offer received on Monday. However, no great fault can be found with its action, except that it might have been better advised to have re-adjusted its interest rate in the first place, rather than try to sell at a rate so obviously above the market.

Fitzroy Township Sale

Eighteen tenders were received by the Township of Fitzroy for its issue of $7,000, 6 per cent., 20-instalment bonds, the issue being awarded to R. C. Matthews & Co. at 103.26, or a 5.61 per cent. basis. Following are the offers received:

R. C. Matthews & Co.	$7,228.00
Æmilius Jarvis & Co.	7,215.60
Turner, Spragge & Co.	7,220.50
A. E. Ames & Co.	7,212.80
W. A. Dyment & Co.	7,212.10
J. F. Stewart & Co.	7,206.43
C. H. Burgess & Co.	7,206.00
Brent, Noxon & Co.	7,201.25
Wood, Gundy & Co.	7,201.00
W. L. McKinnon & Co.	7,197.19
W. A. Mackenzie & Co.	7,195.30
Midland Loan & Savings	7,162.00
G. A. Stimson & Co.	7,150.15
Bongard, Ryerson & Co.	7,125.00
Canada Bond Corporation	7,124.60
Macneill & Young	7,072.10
Mackay & Mackay	7,015.00
Thos. Moran, Arnprior	6,790.00

C. H. Burgess & Co. were the successful tenderers for an issue of $5,000, 6 per cent., 20-instalment debentures of the Town of Vermilion, Alta., up for sale on Monday.

The Town of Picton has awarded an issue of $5,000, 15-year, 6 per cent. debentures to the Bank of Nova Scotia.

BORROWING BILLS

Several of These Before the Nova Scotia Legislature

By Special Representative

HALIFAX.—Several borrowing bills have been introduced into the Nova Scotia Legislature, and the session is still very young. Halifax proposes to borrow $1,000,000 for street construction besides amounts for other purposes. The municipality of Richmond, B.C., is borrowing $6,700 for school purposes, that amount to be borrowed each year for seven years. New Glasgow is borrowing $20,500 for a variety of purposes. The city of Sydney has a bill to borrow $85,000 at 6 per cent. interest; of this, $40,000 is to redeem bonds maturing this year and $45,000 for a nurses' home in connection with the city hospital. The city of Halifax has a bill before the House legalizing all expenditures made by the Board of Control and without the authority of the City Council—that body, it will be remembered, having resigned six months ago and never having been replaced.

Lunenburg asks to be empowered to borrow $20,000 for a contribution towards the cost of the Kenneth Dawson hospital in Bridgewater.

The Town of Windsor is borrowing $42,800, of which $40,000 is for street construction and $2,800 to purchase of chemical fire engine. Since the bill was introduced the town has had a $25,000 fire.

The municipalities of Cape Breton asks to be allowed to borrow $10,000 to pay off debentures accruing due in August, 1919, for which a sufficient amount of sinking fund has not been provided; also $25,000 to improve the county court house and pay off expenditures incurred in capital account in 1918.

The municipality of Pictou County proposes to borrow, under the Act, $125,000 for the purpose of erecting and equipping a new county asylum.

The Town of Sydney Mines asks authority to borrow $35,000 for the purpose of erecting and equipping a new school building for the town. Further, the town has an act before the House to enable it to borrow $100,000 to instal a plant for generating electric energy for the town, to light the streets and furnish current for citizens who wish to purchase it.

SHAKE-UP AMONG DEALERS

Two Firms Dissolve Partnership; Two New Firms Formed

The week has witnessed several changes in Toronto bond circles. The firms of Mulholland, Bird & Graham, and MacNeill & Young have been dissolved, and in their place two new firms have been formed. Ralph M. Bird has established the firm of Ralph M. Bird & Co., with offices at 159 Bay Street, and W. Cavendish MacNeill, late of MacNeill & Young, has taken J. L. Graham into partnership under the firm name of MacNeill, Graham & Co., with offices at 907-909 Bank of Hamilton Building. Both houses will deal in Government and municipal bonds. Their principals have been prominent in bond circles for several years and the new establishments may be relied on to give their clients good service.

BIG BOND ISSUE FOR AN EASTERN PULP COMPANY

Maritime Province Bond Houses Underwrite Offering

FRASER COMPANIES

Issue Consists of Two Million Six Per Cent. First Mortgage Bonds to Finance Pulp Mill

That the pulp and paper corporations of Quebec, Ontario and British Columbia are not alone in the field of development of this most important element of the natural resources of Canada is seen in the fact that a New Brunswick concern, Fraser Companies, Limited, one of the oldest and largest of the Maritime Province lumber companies is entering the pulp and paper circle. This entry is marked by an announcement by Royal Securities Corporation, Limited, of its purchase of $2,000,000, 6 per cent. first mortgage bonds of Fraser Companies.

While this company in its present form was organized in 1917, its foundation dates back to 1873 through Donald Fraser. Now its limits cover 1,700 square miles in Eastern Quebec and New Brunswick of unusual quality, and it utilizes half a dozen rivers and tributary streams and lakes. Ten saw mills are operated, with an annual output of over 100,000,000 feet of lumber and 150,000,000 cedar shingles.

The purpose of the new financing is for the purpose of reimbursing the company for expenditures on a new 35,000-ton bleached sulphite mill at Edmundston, N.B. This started operations last December. The new mill is situated near supplies of pulpwood exceeding 4,650,000 cords, and is favorably situated, both for its United States and English markets. The new mill will produce bleached sulphite pulp.

The earnings of Fraser Companies Limited, have averaged $536,464 for the last five years, which is more than four times what is required to meet the interest on the bonds, while the assets are five times the amount of the bond issue. There is an issue of $10,000,000 of common stock, all owned by **the Fraser** family or employees of the company.

Detailed terms of the offering have not yet been announced. It is known, however, that the issue will be in the for mof serial bonds maturing $200,000 each year for the ten years. It is understood that Royal Securities Corporation will offer the issue privately for the next ten days, after which the balance unsold will be offered to the public. Participation in the underwriting has been given to Eastern Securities Company, Limited; and J. M. Robinson & Sons, both of which houses are well established in the Maritime Provinces.

NEW BOND HOUSE

Thornton Davidson & Co. Organize for General Bond Business

Announcement was made this week of the formation of a limited company by Thornton Davidson & Co., of Montreal, to transact a general bond business, including Government, municipal and other investment securities. The president, Hugh G. Davidson, is a member of the Montreal Stock Exchange, and is very well known in financial circles.

An active interest in the new company will be taken by Major A. F. Nation, and M. S. Wheelwright. Major Nation, who is from Victoria, B.C., is a graduate of the Royal Military College, and went overseas with the 7th Battn., 1st Division, and since his return has been employed in military work at Ottawa. For several years he was connected with R. V. Winch & Co., Ltd., of Victoria, B.C.

Mr. Wheelwright comes from Providence, R.I., and served with the United States forces. His experience covers ten years with Rhode Island bond houses.

A sale of bonds by the local Government Board of Saskatchewan on Monday resulted in the following awards: Beaverside S.D., $800, 7 per cent., 10 years, and Sussex S.D., $700, 7 per cent., 10 years, to Wood, Gundy & Co. at 101.96; Dinsmore S.D., $10,000, 7 per cent., 10-years, and North Benson R. T. Co., $900, 7 per cent., 15 years, to McLaughlin & Fulton at 103.07; Georgobia S.D., $2,000, 7 per cent., 10 years, to Nay & James at 102 and Buffalo Hill S.D., $2,200, 7 per cent., 10 years, to Wood, Gundy & Co. at 101.72.

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CANADIAN RUBBER

The annual meeting of the Canadian Consolidated Rubber Co., which was to have been held on April 1, has been postponed to April 22. The Canadian Consolidated Felt Company will meet the same day.

FIELD OF MUNICIPAL FINANCE

RADICAL MOVES IN ASSESSMENT HAVE BEEN MADE

Ontario Legislature's Committees Pass Favorably on Two Measures

SINGLE TAX COMES

Ottawa Bill Gives Capital City Power to Adopt Single Tax System in Period of Four Years

Important and highly significant developments affecting taxation in the Province of Ontario have taken place this week. The assessment committee of the Legislature has adopted the principle of graded exemptions, applying it to houses worth $4,000 and less, while the private bills committee has consented to allow the City of Ottawa to institute a new assessment system which will wipe out the taxation of improvements within a period of four years. These measures will have far-reaching results and may be regarded as a beginning in a movement to effect radical changes in the assessment system.

The ostensible purpose of allowing a municipality to grant certain exemptions in the case of cheaper houses is to promote the building of houses, of which there is a recognized scarcity at the present time. As an encouragement to workmen to build their own homes and to become thereby property owners, the measure cannot but be regarded with favor. If, however, the ulterior purpose of the legislation is to shift burdens unfairly from one class to another, there is a danger in its enactment. It may be the thin edge of the wedge, which, if pressed further home, may create much unfairness.

As adopted, the law gives a 50 per cent. exemption on houses valued at $2,000 and under; 40 per cent. on houses up to $2,500; 30 per cent. from $2,500 to $3,000; 20 per cent. from $3,000 to $3,500, and 10 per cent. from $3,500 to $4,000. As it may work out in the case of houses worth from $3,000 to $4,000, the exemption may be more than offset by the higher taxes which will have to be levied to make up for the taxes lost on the cheaper houses.

Coupled with the house exemption, there is to be a higher exemption of incomes, the minimum of $1,500 in the case of householders being raised to $1,700, etc. Of course, both enactments are optional with the municipalities which must pass by-laws to put them into effect.

Ottawa's bill virtually allows that city to put in force the single tax system. It provides an exemption of 25 per cent. on all buildings and all incomes the first year after coming into effect; 50 per cent. the second year; 75 per cent. the third year, and total exemption the fourth year. The system must be approved by the ratepayers before it is put into effect. Ottawa apparently has not been deterred by the experience of the cities of Western Canada which tried out the system with such unfavorable results.

A LOWER RATE

Largely by Reason of a 1918 Surplus Tax Rate is Reduced

Thanks, largely to the existence of a million-dollar surplus from the operations of 1918 and a profit of over a million dollars earned by the sinking fund, Toronto will enjoy a reduced tax rate in 1919. The city council on Tuesday struck the rate at 28½ mills or 2 mills less than in 1918.

Estimated revenue in 1918 was exceeded by actual revenue to the extent of $778,693, while on the other hand there was a saving on appropriations of $831,160. These, together created a surplus of $1,609,854. Unfortunately there was expended during the year an amount of $622,271, for which no appropriations had been made, so that the net surplus was $987,582.

An investigation of the sinking fund showed that, after providing for the exact sum required to discharge in full every debt as and when due, viz., $26,279,341, there remained a surplus of $1,297,811. Of this $1,000,000 has been appropriated for the reduction of the funded debt as it stood at the close of last year, reducing correspondingly the annual debt charges.

SOUTH VANCOUVER MAKING PROGRESS

Commissioner Gillespie Believes Municipality Will Find Itself in Good Shape

A report on conditions in South Vancouver has been issued by F. J. Gillespie, who was appointed commissioner on May 1, 1918 by the British Columbia Government. After mentioning the growth of schools and other public services during the period, Mr. Gillespie says:

"During the eight months that I have had charge of the municipality, up to the end of 1918, there were no new financial burdens placed upon the municipality, but instead the moneys that came in reduced the indebtedness slightly over $60,000.

"During the past ten months, Spitzer-Rorick & Co., who made a loan of $450,000 to this municipality in March, 1917, have been repaid $200,000 of that money, and a further sum of $35,000 is now in the bank ready to be turned over to the same firm, and it is hoped that the municipality will be able to liquidate the balance of the $450,000 in March, 1920, when the same matures.

"For a number of years past, buildings were not taxed in this municipality, but last year they were taxed to 1/3 of their assessed value, and this helped materially. I have every reason to believe that in the course of a few years the municipality will find itself in good shape financially. A tax sale will be held during the midsummer, when some 3,000 lots will be offered for sale for arrears of taxes. It is confidently believed that this tax sale will be a success, and if so the future of the municipality is beyond question. The great majority of the heavy taxpayers of South Vancouver who have the interests of the municipality at heart, are co-operating in every way with the administration."

PERTINENT COMMENT ON MANITOBA SALE

New York Authority Draws Lesson Which All Municipal Officers Should Regard

Commenting on the two bond sales made this year by the Province of Manitoba—the first privately at par; the second by public tender at 101.04—the Bond Buyer of New York has these pertinent remarks to make about the relative merits of the public and private methods of sale:

> Here is about as clean cut an illustration of the advisability of the public sale method of selling bonds that has recently come before the public. It should be carefully considered by all those municipal officials who hold to the opinion that the private sale may be used by public officers at their discretion and effect better results than the advertised call for sealed bids.
>
> The bond man is not in business for his health. Like any other merchant, he seeks to buy his goods as cheaply as possible and he is entitled to buy bonds at whatever price he can legitimately induce a city or province to sell them.
>
> Obviously, if a bond dealer is asked to bid for an issue of bonds and he knows he has no competitor to bid against he is not going to figure his profit as closely as he would if he knew every other bond dealer in the country had also been asked to tender proposals.
>
> The private sale method has been used successfully by corporations, but it will never do as a means of selling bonds of States or municipalities. The voter is not satisfied with theoretical arguments about the advantage of private negotiations when the market is in poor condition, etc. Unfortunately, private sales managed by public officials have too often proved disastrous to the voters' pocketbook.

BRANDON'S FINANCES

City Showed $75,000 Deficit on Operations for Last Year

The City of Brandon's consolidated balance sheet at December 31, 1918, shows current assets of $604,092, against current liabilities of $708,126 and capital assets of $3,750,829, compared with $2,408,187 capital liabilities and reserves. The principal item under current assets is revenues receivable, which amount to $431,504. Balanced against this are loans of $395,950 to be repaid from current revenues. The debenture debt amounts to $3,194,790. Deducting sinking fund reserves of $923,632, the net debt is $2,271,158. Of the total sinking fund assets of $941,734, an amount of $875,980 is invested.

Ordinary revenues of the city for 1918 totalled $558,039, of which $385,387 was derived from real property taxes. Ordinary expenses took $374,048, leaving a surplus of $183,990. However, interest and sinking fund charges amounting to $201,791 are not included, nor deficits on operation of utilities, which amounted to about $57,000, so that total expenses exceeded total revenue by $75,691.

It is understood that some developments may be expected in the near future in connection with the bond department of the Home Bank of Canada, which was established about six months ago.

Lackawanna Steel Co. has issued its pamphlet report for the year ended Dec. 31, 1918. Surplus after charges and Federal taxes amounted to $8,348,354, equivalent to $23.79 a share earned on the $35,097,500 outstanding common stock, as compared with $45.89 earned in 1917. Gross sales were $83,438,135, against $77,446,241 in the preceding year.

Money By-laws

Those investors who wish to keep in touch with the municipal bond market will find this department useful. It aims to be accurate and convenient. THE FINANCIAL POST makes a specialty of municipal bond news. Municipalities will find it to their advantage to send in direct news of contemplated bond issues.

TENDERS WANTED

April 7, McGillivray Township—$12,135, 6 per cent., 10-instalment debentures of the township of McGillivray, Ont.

April 7, Alberta Education Department.—$33,650 in seven blocks of school district debentures, all bearing interest at 7 per cent. and running for 5, 10 and 15 years.—J. T. Ross, Deputy Minister, Edmonton.

April 9, Saskatchewan.—$3,000,000 in 5 per cent., 20-year bonds of the Province of Saskatchewan.—Hon. C. A. Dunning, Provincial Treasurer.

BY-LAWS TO BE VOTED ON

April 5, York Township.—$200,000 for the purpose of buying out existing lighting systems in the township and adding thereto.

April 12, Scarboro Township.—$30,000 for the purpose of obtaining funds to provide for the erection of a township hall. Debentures, if issued, to bear interest at 6 per cent. and be repayable in 20 annual instalments.

BY-LAWS PASSED OR DEFEATED

Township of Sombra.—Board of Trustees of R.C. Separate School Section No. 5, passed by-law March 5, providing for issue of $8,000 debentures to pay for erection and equipment of new schoolhouse. Bonds bear interest at 6½ per cent. and are repayable in 15 instalments.

Sherbrooke.—Council on March 24 put through its second and third readings a by-law authorizing the issue of $605,000 debentures for paving certain streets.

DEBENTURE NOTES

Galt.—Galt's bill authorizing the municipality to issue debentures for the erection of a soldiers' memorial home has passed the private bills committee of the legislature.

London.—The private bills committee of the legislature passed without discussion London's bill authorizing the issue of debentures for a new medical building at Western University and for various civic purposes.

SASKATCHEWAN

The following is a list of authorizations granted by the local Government Board from March 15th to March 22nd.

School Districts.—(x)Amphion, $3,500; (x)Clemenceau, $3,500; (x)Flora, $3,500; Olicana, $2,500; (x) Scarpe, $3,450; St. Hilaire, $3,300; (x)Cote, $4,000; Wheat Belt, $2,500; (x)Lipton, $1,000.

Rural Telephone Companies.—Mawer, $3,000. (x) Being included in next sale held by Local Government Board.

The following is a list of debentures reported sold from March 15th to March 22nd.

School Districts.—Lupescu, $500, to R. A. Pengally, Cupar.

Rural Telephone Companies.—Ethelton, $700, to Harris, Read & Co., Regina.

Towns.—Ogema, $1,500, to W. L. McKinnon & Co., Regina; Leader, $10,000, to Harris, Read & Co.

BOND SALES

$24,600 Asbestos at 77; $10,000 Can. Felt at 94¾; $2,000 Canada Bread at 94; $2,100 Can. Cement at 100; $9,100 Cedar Rapids at 90 to 88½; $4,500 Cons. Rubber at 95½ to 95; $1,000 Can. Cottons at 82; $11,000 Dom. Cotton at 99 to 98½; $1,000 Dom. Iron at 90; $2,000 Lake of Woods at 100; $35,000 Montreal Trams. debs. at 74 to 72¾; $26,000 Montreal (1923) at 100¾ to 100½; $1,500 Montreal (1922) at 101⅝; $1,000 N.S. Steel at 83; $1,000 Ogilvie at 102½; $5,000 Penmans at 91; $30,000 Quebec Rly. at 71 to 69¼; $500 Spanish River at 92; $2,500 Steel of Can. at 98; $1,000 Wabasso at 87½; $30,800 Wayagamack at 88¾ to 88; $1,000 Winnipeg Electric at 85; $317,100 Victory (1922) at 100¾ to 100⅝; $428,950 Victory (1923) at 100¾ to 100⅝; $58,150 Victory (1927) at 103⅛ to 102½; $747,850 Victory (1933) at 105 to 104½; $131,250 Victory (1937) at 106¼ to 105½; $24,200 War Loan (1925) at 99½ to 98½; $38,900 (1931) at 99⅜ to 98¼; $184,550 (1937) at 100½ to 99¼.

TAX SALES COMPULSORY

British Columbia May Pass Legislation Governing Sales.

Municipal tax sales are to be made compulsory in British Columbia if the recommendation of the municipal committee of the Provincial Legislature is adopted by the House. The committee has also decided to do away with the present costly system of advertising the sales instead of which municipalities will be obliged to hold their sales within thirty days following the first of September in each year. To inform the taxpayer of the sale, a notice will be inserted in the "Gazette" and the newspapers advising the date of the sale, while the taxpayer affected will be sent a slip containing the same information when mailed his notice.

In arriving at a decision to reduce the hours of labor to 48 hours a week, the packing companies of Toronto have set the pace for the Canadian industry. The decision recently arrived at was the result of conferences between the employers and employed, and it came into effect at the week-end, March 29.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES

Date	Place and Purpose	Purchaser	Rate	Term	Amount	Price	Basis
March 22	Leader, Sask., Town	Harris, Read & Co., Regina	...	......	$10,000	.....	....
22	Ogema, Sask., Town	W. L. McKinnon & Co.	...	......	1,500	.....	....
22	Lupescu, Sask., S.D.	R. A. Pengelly, Cupar	...	......	500	.....	....
22	Ethelton, Sask., R. T. Co.	Harris, Read & Co., Regina	...	......	700	.....	....
28	Weston, Ont., school	Brent, Noxon & Co.	6%	30-ins.	60,000	104.345	5.60%
28	Fitzroy, Township	R. C. Matthews & Co.	6%	20-ins.	7,000	103.26	5.61%
31	Vermilion, Alta.	C. H. Burgess & Co.	6%	20-ins.	5,000	.....	....

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2. Are the coppers "peace" stocks or "war" stocks? What class do the automobile stocks come in? The oils?
3. Among the rails, are the standard dividend-payers or the low priced non-dividend payers the thing to buy?
4. As the war draws to its end, what is likely to be the course of interest rates? How will that affect the price of bonds?
5. Which are the best bonds to hold—the high-income producers or the old line investment issues?
6. Are short term notes or long term bonds the better proposition at present?
7. Does the putting into effect of the new tax law mean a general reduction in industrial dividends?
8. Can the stock market rise in the face of the tight money situation?
9. New influences on security prices are beginning to become operative. Do you know how to go about adjusting your investments so that you will be helped and not hurt?

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THE INVESTMENT WEEKLY
42 BROADWAY NEW YORK

REAL ESTATE AND INSURANCE

ALBERTA'S ACTS FOR RELIEF OF MORTGAGORS*

It is Not as Drastic as in Many of the Other Jurisdictions

ADMINISTRATION

Judges Strove to Meet Strange Conditions Without Undue Hardship to Creditors

By S. B. WOODS, K.C.

Alberta, like every other province, has passed what are commonly, though not quite properly, known as moratorium acts. The first one was passed in April of 1916, and it is noteworthy that Alberta did not legislate upon this subject at all until the war had been in progress for nearly two years. However, in 1916 it became apparent that something would have to be done along this line because of the large number of men who had left this province for the front. This first act protected mortgagors in respect of mortgages made prior to the outbreak of war, who were really soldiers. By a decision of our Supreme Court in the case of Canada Life vs. Dickson, the language of the act was held to be sufficiently wide to cover persons who had enlisted in a local reserve battalion which was not formed for the purpose of service at the front, and there is no doubt that advantage was taken of this circumstance by not a few persons to get protection from their creditors by enlisting in these reserve battalions.

Case of Militia Men

So far as mortgagees were concerned, the hardship upon them of their mortgagor being immune from action in the courts by the simple process of enlisting in the reserve militia, early became quite apparent, and an attempt was made, successfully as it turned out, to alleviate this hardship by invoking the provisions of Section 8 of the act, so as to give the mortgagee the right to collect and receive the rents or rentable value of the mortgaged land, notwithstanding that the mortgagor might be otherwise under the protection of the statute. The case of Mutual Life vs. Blackett and Credit Foncier vs. MacCashom were test actions brought to try out this question, and in the result it was decided that a mortgagee was entitled to commence action for rentable value and in default of payment of the rentable value ordered that the mortgagor could be put out of possession and this notwithstanding the fact that he was otherwise under the protection of the Volunteer and Reservists' Relief Act. This effected considerable inroad upon the protection of the members of the "Moratorium Guard" which they had up to that time enjoyed.

Amendment of 1918

In April of 1918 the act above-mentioned was amended, and it is now called the Soldiers' Relief Act. The act as amended protects only real soldiers enlisted for service at the front, and protects these until two years after the declaration of peace by Great Britain. The protection afforded extends to liabilities incurred or mortgages made before the date upon which a man became a soldier. If he is discharged he is protected for two years after his discharge. The protection also extends to his wife or any dependent member of his family or to his estate after his death. By another provision of the amending act the protection enjoyed by members of the Home Guards ceased on the 13th of October, 1918.

Another statute called The War Relief Act was passed at the same session, namely, in 1918, and came into force on the 13th April last. It is not confined in its terms to soldiers. It does not extend to farm property at all, but only to city property. This act provides that no proceedings can be taken for sale or foreclosure for the recovery of principal money on any mortgage on land, or agreement for sale made prior to the 4th of August, 1914. If, however, default is made in the payment of interest, rent, taxes, insurance or other disbursements by the mortgagor (or purchaser) then his mortgagee (or vendor) has the same rights as if the act had never been passed, except that before commencing action, leave must be obtained from a judge of the Supreme Court. Upon application for leave to commence such action the judge may grant leave without any qualification or condition, or, if he is of the opinion that inability to pay is due directly or indirectly to the present war, he may refuse the leave to begin the action, subject to such conditions as he thinks fit. The mortgagee (or vendor) is in any event, however, declared to be entitled to payment of the net income from the property, or the amount which in the opinion of the judge the property should earn if carefully managed, and power is given to the judge to make such order as to the possession or collection of rents as he thinks proper.

Only Two Acts in Force

These two acts therefore, namely, the Soldiers' Relief Act and the War Relief Act are the only two acts now in force in Alberta changing the law as to mortgages on urban property from the law as it stood before the war.

As will be observed, the War Relief Act above-mentioned leaves a very considerable discretion in its administration to the judges of the Supreme Court, and so far as our experience in Edmonton goes we have found that this discretion has been exercised in a uniformly fair and equitable manner. The judges of our court are only human, and where property is in the possession of a soldier's wife and family and they are paying a rent which is perhaps not as high as could be obtained, but the result of an order to pay more would clearly be that this family would be turned out of their home without the prospect of being able to get another one, it is not surprising that judges in the administration of the law and in the exercise of their discretion are inclined to stave off the time, especially during the winter, when it will be necessary, if the strict letter of the law is to be enforced and the mortgagee is to obtain what he is legally entitled to, that an order be made that will have this result.

Judges Vary in Outlook

On the other hand there is no doubt that not infrequently enlargements of time are given to persons who are not paying as much as they should pay towards keeping down interest and taxes without due consideration for the rights of the mortgagee and a proper appreciation of the fact that a delay in the giving of justice often means the denial of justice. The judges of course vary in their outlook a good deal, and while some grant leave to proceed as a matter of course others give the mortgagor further time, especially if the mortgage is not badly in arrear and the revenue being derived from the property is sufficient to carry the same.

Attention should be drawn in this regard to the provisions of the Soldiers' Home Tax Exemption Act, passed at the last session of the Alberta Legislature. This act exempts the soldiers' home property, that is to say, land occupied by a soldier or his wife or any of his dependents, so long as they were dependents at the time that he became a soldier within the meaning of the act, from taxes, from the 31st December, 1917 and before the expiry of one year after the declaration of peace by Great Britain. Provision is made that such land may be listed with the municipality on the Home Property Register, in which case it will not be assessed for taxes by the municipality, and, if this has been omitted to be done and the soldier becomes liable to taxation in respect thereof, it is provided that such taxes shall be remitted or paid back by the municipality. Mortgage companies should therefore see that the home property belonging to a soldier on which they hold a mortgage is listed on the municipality register in the proper way so as to obtain freedom from taxes. This would keep the carrying charges down a good deal in cases such as I have been referring to on property occupied by soldiers. It is in these cases that it is often difficult to get judges to increase rentals or monthly payments beyond what the soldiers' dependents can pay.

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*Portion of an address by S. B. Woods, K.C., of Edmonton, before the Dominion Mortgage and Investments Association.

WILL LICENSE AGENTS

British Columbia Government Raises Standard in Real Estate

The British Columbia Government decided during the last few hours of the legislature to raise the standard of real estate selling by requiring the payment of a license fee for salesmen and a bond guaranteeing good character. In future it will be necessary, according to the Act, for all salesmen and agents to procure a license from the registrar of joint stock companies. An agent would have to pay a fee of ten dollars and in addition must produce a statement signed by five responsible citizens to the effect that the man is of good character. The salesman must pay a fee of two dollars and his character must be certified to by the agent. Both agent and salesman will be required to put up a bond of a thousand dollars. The register of joint stock companies is empowered to revoke any such license if any complaint as to misconduct of agent or salesman is established. Without license no salesman can take action to recover commission for services on any deal on which he was engaged.

BUILDING COSTS NOT LIKELY TO BE ANY LOWER

Conditions All Point to a Continuance of High Prices

THE CASE OF BRICK

All Elements Entering Into Production of This Material Contribute to Keep Up Its Price

A Reader, Windsor, Ont.—"Will you kindly tell me through your paper if you consider it a good investment to build a house this spring? Do you think that the material ought to come down within a year or so? If not, why?

A great many people throughout Canada are asking this question at the present time but to ask it is one thing, to answer it is quite a different thing. There are so many conditions to consider, so many influences at work and the future is clouded with so many uncertainties that to make any definite prediction is impossible. The best that can be done is to deal with conditions and tendencies at the present time and from them deduce such conclusions as may present themselves.

Take for instance, one important building material—brick. Brick is to-day quoted at about 20 per cent. above 1913 prices. (As in 1914 and during the early years of the war, brick was a glut on the market, its price at that time is immaterial to the discussion.) The 20 per cent. increase is practically all absorbed by the higher freight rates, both on coal from the mines to the brick yards and on bricks from the yards to the markets. For instance, the rate on coal from the mines to Suspension Bridge has been increased from $1.25 to $1.75 per ton and from the Bridge to the various Ontario yards even more proportionally. Now, there is very little likelihood of freight rates being put back to earlier levels, so that this increase in cost is to be regarded as practically permanent.

The Cost of Coal

Coal, which used to be procurable at $1.00 a ton at the mines, is now around $2.75 a ton. The latter figure is very considerably under the high price that prevailed during the last year of the war, but it is still nearly three times above the pre-war figure. It is also regarded to-day as practically a minimum and there is very little prospect of cheaper coal being procurable, a second reason for not expecting any lower prices for brick.

Next take labor. The brick yards are not getting enough men yet and they are paying big wages to secure them. In fact some brick companies, who have more orders than they can handle, have increased their scale again and again. It is probable that in time there will be enough help, but it does not seem at all likely that wages will come down. Such a development, if building keeps up and the country is busy, will be about the last thing to happen—a third reason for not looking for any early reduction in the price of brick.

The lean years of the war were accountable for the failures or closing down of about two-thirds of the brick plants in Canada. The present increasing demand for brick is falling, therefore, on the limited number of plants that weathered the war and they have their hands full in meeting that demand. In the meantime it will take some time to get the plants that were closed down going again and it will be months and possibly years before the volume of production can catch up to the demand which is confidently expected. In this connection it must be remembered that to establish a new plant to-day costs a big lot of money compared with the days before the war and this condition will tend to hold down production for some considerable time to come.

Allowing for all the extra costs in the way of higher wages, higher freight rates and more expensive materials, it is clear that brick is selling relatively cheaper than before the war. In fact its price has not advanced to anything like the extent of other commodities. Add to this the fact that brick manufacturers have learned a lesson and will no longer ignore the question of costs and there is sound reason for believing that this commodity at least cannot be any cheaper, at least in the near future, and quite possibly will be more expensive.

Other Materials

Other building materials are in different positions. For example, steel is cheaper and all the commodities into which steel enters as a component part are radically reduced in price.

Continued on page 15.

CANADIAN ORDER OF CHOSEN FRIENDS
HEAD OFFICE. HAMILTON, CANADA

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W. F. Campbell, Grand Organizer. J. H. Bell, M.D., Grand Medical Ex.
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SCHOOL HOUSES ARE BECOMING WORSE HAZARD

Experience of Companies Shows Higher Loss Ratio

SEVERAL FACTORS

Many Conditions Which Contribute to Make the School House Risk More Serious Than it Was

An advance in fire rates on school houses is one of the early probabilities declares the "New York Journal of Commerce," Years ago schools were considered a preferred class by fire insurance companies, and the business was eagerly sought at the highest grade of commissions. For some time past, however, the experience has been growing worse, and at last has become so bad that the companies had their experience collated, with the result that it was found that for five years, ending with 1917, the loss ratio had averaged 75 per cent.

This change in the character of the school house hazard is attributed to a number of factors. Modernizing of the educational system is charged with considerable responsibility. From being a building which was used a few hours a day five days in the week and kept locked the rest of the time, the school house in many instances has become a combination of machine shop, woodworker, hotel, theatre and moving picture house. Manual training has brought in the wood and metal working; training domestic science has brought in the hotel kitchen features, and the general tendency to make the school a social centre for the community has resulted in the building being lighted and heated outside of the usual hours and given it many of the hazards of the entertainment hall.

The "little red school house" in many localities has given place to the larger township school, to which the children are transported. In small places janitors are not on the premises constantly, and many fires have resulted from the heating apparatus. Defective electric wiring has also cost the insurance companies considerable money. Added to these hazards are carelessness, the use of soft coal, and some surreptitious smoking of cigarettes. There appears little likelihood that the public can be induced to take enough interest to reduce the hazard to a point where schools can continue to be written at their present rates, with even a small profit to the insurance companies.

BUILDING COSTS NOT LIKELY TO BE ANY LOWER

Continued from page 14

The feeling is, however, that no further recession can be looked for, for the present. The recession is expected to stimulate buying and as buying increases the tendency will be for prices again to rise. At the same time the supply of many fittings, etc., has been reduced during the war and, with the increase in building, the demand for these will grow. This applies particularly to plumbing goods and builders' hardware, etc.

Lumber has also come down a little in price, but here again no further reduction is to be anticipated. Indeed, the whole situation as affecting lumber, such as the depletion of forests, the longer haul, the higher cost of getting out, etc., will tend to keep up rather than bring down prices.

The labor situation in the building trades is not promising from the standpoint of the man who looks for lower building costs. It is time that labor is more plentiful, but it continues to draw high wages, while the standard of efficiency is no greater. With a tendency towards shorter hours, the cost of the labor element cannot be expected to come down. In fact, certain wage agreements already signed call for an increase in 1920 over 1919.

No Stoppage of Building

The one condition that might be be expected to force down costs is a stoppage of building, but there is apparently nothing of the kind in sight. Architects are very busy at the present time. Contractors are well supplied with orders and all through the country the house shortage is causing a great deal of house building. In addition, the Government has a pretty extensive building programme in hand, while just as soon as the public realizes that there is not likely to be any further break in prices there will be the inevitable scramble to get started before prices firm up again. This, in turn will keep up the pressure on the manufacturers of materials and maintain prices all round.

It is quite true that there may be unforeseen developments that will upset all these considerations, but basing one's estimate of the situation on the tendencies of the day, conditions all seem to point to at least a continuance of present prices and quite likely an increase.

CANADIAN STOCKS

Quotations of listed Securities on the Montreal and Toronto Stock Exchange, with prices at closing on April 4. In stocks listed on both Exchanges prices quoted are those of the market in which a stock is the more active (Reserve Funds, Profit and Loss, include all Reserves except "Depreciation.")

BANKS

Capital Stock Outstanding	Reserve Fund	Profit and Loss	Net Earnings % 1917-18	Dividends 1915	Dividends 1916	Dividends 1917-18	Last Dividend Date 1918-19	Last Dividend Rate	Yield to Mar. 27	BANKS	Range 1916 High	Range 1916 Low	Range 1917 High	Range 1917 Low	Range 1918 High	Range 1918 Low	Range 1919 to Mar. 27 High	Date	Low	Date	Close Mar. 29 1918 Ask	Close Mar. 29 1918 Bid	Close April 3 Ask	Close April 3 Bid	Week ending April 3 High	Low	Close	Sales	Montreal Minimum
4,866,666	3,017,333	428,844	13 70	7	7	8				British North America	112	110	112	112	165	112													
15,000,000	15,000,000	1,444,842	19 00	10+2	10+2	10+2	1st Mar.	3	5.85	Commerce	203	183	188	182½	202	183¼	215	Jan. 9	201	Jan. 2	185		205½	205	205	204	205	39	185
6,000,000	7,000,000	416,503	18 10	12	12	12	1st Apr.	q. 3	5.76	Dominion	220	204	212½	202	209½	199	219	Jan. 20	208	Mar. 27	202		208½		208½	208	208½	14	202
3,000,000	3,500,000	85,114	19 03	12	12	12	1st Mar.	q. 3	6.52	Hamilton	197	246¾	192	184	188⅛	184	209	Jan. 15	183⅛	Feb. 26			187	186	186	184½	186	68	184
4,000,000	3,800,000	62,959	14 87	9	9	9	1st Mar.	q. 2¼	5.12	Hochelaga	149	145	145	140	143	140	148	Jan. 15	147	Jan. 13					147	147	147	9	140
7,000,000	7,000,000	1,204,942	16 92	12	12	12	1st Feb.	q. 3	5.88	Imperial	203	180	200½	185	202½	185	210	Jan 20	202½	Jan. 2		185							185
1,946,806	300,000	145,238	11 15	7	5	5	1st Mar.	q. 1¼	6 32	Home Bank																			
7,000,000	7,000,000	437,973	17 66	10	10	10	1st Feb.	q. 2¾	5.72	Merchants	180	150	170	167	180	169	192½	Mar. 25	180	Jan. 2	167		192½	192½	192½	192	192½	307	167
4,000,000	4,800,000	248,029	17 80	11	11	11	1st Apr.	q. 3	5 58	Molsons	195	182	186	179½	179⅞	179⅜	200	Jan. 17	179⅛	Jan. 3			181	179	197	196	197	25	179⅞
16,000,000	16,000,000	1,901,613	16 01	10+2	10+2	10+2	1st Mar.	q. 3	5 71	Montreal	240½	219	234	210	218½	210	216½	Jan 21	210	Mar. 20			212½	210	210	210	210	123	210
2,000,000	2,000,000	59,965	20 88	8	8	8	1st Feb.	q. 2¼	6.08	Nationale	134	134	149	134	148	148													148
6,500,000	12,000,000	749,694	21 70	14	14	14	1st Apr.	q. 4	5.74	Nova Scotia	261	254	257½	248½	251½	248	272	Jan. 29	255	Jan. 4			267		268	266	268	78	248
4,000,000	4,750,000	199,855	16 12	12	12	12	1st Mar.	q. 3	5.76	Ottawa	204	202	202	200	206	201	208	Feb. 1	203	Jan. 4									198
14,000,000	15,000,000	535,757	20 06	12	12	12	1st Mar.	q. 3	5.76	Royal	221¼	210	214	208	215	205	214	Jan. 2	205	Feb. 17			209	208½	208¾	208	208½	88	208
3,500,000	4,500,000	227,326	19 91	13	13	13	1st Feb.	q. 3¼	6.22	Standard	221	211¼	215	200	208⅜	200	215	Jan. 13	209	Feb. 4			209½	209	209½	209½	209½	29	200
1,216,932	350,000	0.873	15 38	6	6	6	15th Feb.	q. 1½	6.59	Sterling																			
5,000,000	6,000,000	625,623	16 90	11	11	11	1st Mar.	q. 3	6.00	Toronto	215½	190	192	187½	193½	184½	205	Feb. 4	193	Jan. 6									187
5,000,000	3,600,000	126,298	15 48	8+1	8+1	8+1	1st Mar.	q. 2½	6.25	Union	140	132	142	135	162	137	171	Jan. 7	157½	Feb. 20		145½	163	160	160¼	160¼	160¼	1	136

TRANSPORTATION—RAILWAYS, NAVIGATION AND STREET CARS

Out-standing Common Stock	Out-standing Preferred	Bonds and Debentures	Reserve Funds Profit and Loss	1916	1917																							
27,450,000	8,483,500	50,867,325							Barcelona, T. L. and P.	17	19	17	8	15¼	8¾	13¼	Jan 10	9⅝	Mar. 15	10	9½	10	9⅞	10	9⅞	9⅞	270	
106,417,800		7,500,000	5,190,986	4	1	1st Mar. 17	q.1		Brazilian Traction L. and P.	62⅝	43	47¾	31¾	40	32	55¾	Mar 20	50	Feb. 4	35¾	35¼	52⅞	52⅝	53¾	52½	52½	856	32
	10,000,000			6	6	1st Apr.	q. 1½		Brazilian Traction, Pref.																			
12,000,000		6,684,206	5,009,630						Canada Steamships Lines, Com	45	16	45⅝	29¾	51	39¼	45⅞	Jan. 2	41½	Feb. 2	39½	39⅜	44	43	44	43	43	100	39¾
	12,500,000			5¼	19.83	1st Apr.	q 1¾	8.97	" " " Pref	95½	89¾	93¾	71	80	72½	79½	Mar. 14	77	Feb. 13	75¾	75	78¼	78	78½	78	78¼	786	76
260,000,000	80,681,921	271,934,882	133,990,716	10	10	1st Apr.	q. 2½	6.13	Canadian Pacific Railway	182½	163¾	167½	127¾	185	137¾	163½	Feb. 24	160	Jan. 9									
15,000,000		35,326,500	7,978,243	6¾	7¾	1st Mar.	q. 2	6.66	Detroit United	128½	69	128	104¾															102⅛
3,500,000	1,500,000	3,500,000	576,002		2	2nd Jan.	s. 1	4 87	Duluth Superior Traction Co., Com	49	37	51	40	42	41	31	Mar. 4	28	Feb. 21			33	31	31	31	31	10	42
12,331,000		4,562,000	1,726,008	3	3				Illinois Traction, Com																			35
	7,289,500			6	6	1st Apr.	q. 1½	7.50	Illinois Traction, Preferred	91	87¾	89	79	80	80	80	Feb. 1											80
20,000,000		16,381,333				1st Nov.'13	q. 1¾		Mexico Tramways Co.																			
25,206,800	12,603,400	87,369,600	19,911,878	7	7	15th Oct.	s. 3½		Minn., St. P. and S.S.M., com																			
3,394,300		35,608,153	1,256,449	10	10	2nd Jan.	q. 2½	6,66	Montreal Tramways			181	144	150	150													150
9,000,000	4,465,500	14,075,000	2,428,908	5	5	15th Sept.	q. 1¼	6.84	Northern Ohio Traction																			
3,000,000		3,931,666	173,084			1st Oct. '14	p. 1		Porto Rico Railways Co., Com	49½	30	42	30	37	25¼	35	Feb. 8	33	Feb. 6									
	1,000,000			7	7	1st Apr.	q 1¾	8.75	" " " " Pref	30		80	80															
9,999,500		10,797,000	684,572			15th Jan.'12	q. 1 p		Quebec Railway L., Heat & P. Co.	45	14	35½	14¾	22½	15	22	Mar. 8	16½	Feb. 19	15		21¼	21⅛	21¾	21½	21⅛	795	15
12,000,000		3,730,253	6,675,017	8	8	2nd Jan.	q 1	9.30	Toronto Railway	111	72	90½	58½	63	58	55	Jan. 4	41¼	Mar. 14			43	42½	45⅛	43	43	120	60
22,000,000	3,000,000	20,263,000	1,285,804	6	6	2nd Jan.	q 1	8.33	Twin City, common	101	93⅜	95	53	65½	39½	50	Feb 21	39	Jan. 2	52⅛	52							
9,000,000		10,130,000	1,502,068			1st Jan.'16	q. 2½		Winnipeg Electric	110	90	81	36	48	48	49	Mar. 3	35	Jan. 16					48	48	48	9	48

TELEGRAPH, LIGHT AND POWER UTILITIES

18,000,000		11,149,000	2,286,556	8	8	15th Jan.	q. 2	6.15	Bell Telephone	152	140	150	129	132⅛	128	130	Jan. 2	129	Feb 17		132	130		130	130	130	6	13
5,360,700				10	10	1st Apr.	q. 2½	6.66	Consumers Gas	176	160	165½	147	153	144½	152	Feb. 14	149½	Mar. 18			150		150	150	150	12	
1,900,000		2,999,813	177,747						Calgary Power																			
41,380,400			1,924,151	5	1½	1st Apr	q. 1½	8.33	Mackay, common	69¼	64½	90	70¾	79¾	72½	79	Mar. 3	71½	Jan. 23	76½	75	75⅛	74½	75	75	75	103	
	50,000,000			4	4	1st Apr.	q. 1	6.15	" preferred	15	15	68	59	65⅜	56⅛	66	Feb. 20	64¼	Jan 28		61¾	65	64⅛	65	65	65	116	
13,585,000	6,000,000	21,073,833	318,522			30th Dec.'13th	q.1		Mexican Light and Power Co., com					20	18													
63,965,800			1,585,313		4	15th Feb.	q. 1	4.30	Montreal L., H. and Power Cons			82⅞	67½	88½	68¼	93	Mar. 26	84½	Feb. [illegible]	74¾	74	93	92¾	93	92¾	92¾	1,160	68⅛
3,499,120		1,275,000	884,525	6	6	1st Apr.	q. 1½	7 31	Ottawa, Light, Heat and Power Co.	95¼	92	92	69¾	86	69	82	Mar. 4	75	Jan. 18	86								69½
15,000,000		12 8 8.761	2 992 348	7	7	10th Jan.	q. 1¾	6.03	Shawinigan Water and Power Co.	137	126¾	130½	107	118½	105	118¾	Mar. 10	114½	Jan. 13			117½	116⅞	117	116	116⅝	1,039	107

INDUSTRIALS AND MISCELLANEOUS

5,000,000	1,000,000	5,953,200	632,047	1¾	7	1st Apr.	1¾	10.93	Abitibi Power and Paper, com.			58½	48	51½	48	67	Mar. 5	48	Jan. 3			64⅛	63¾	64	63	63	310	48
6,514,000	7,895,200		525,402						Amer. Cyanamid, com.			30	19	35⅞	21													
3,500,000		1,563,666	507,408						Ames Holden McCready Co., com.	35	19½	23⅛	12	28	15	30	Mar. 13	26	Jan. 3									15⅜
	2,500,000					1st July '14	q. 1¾		" " pref.	80½	52	61	47	72½	47	77½	Feb. 28	65⅜	Jan. 2				76	74	74	74	20	47
4,265,600				4	4	21st Feb.	q. 1¼	10.63	British Col. Fish, com.			56	35	51½	41	49	Jan. 6	46	Mar. 15		48½	49	46	47	46	47	90	40
7,000,000	2,000,000	1,452,000	607,100		5	7th Feb.	1¼	8.47	Brompton Pulp and Paper, com.			59	38	63¾	41¾	61	Jan. 7	56	Feb. 3		44½	59	57¾	58	58	58	111	39
750,000			721,391	6	6	2nd Jan.	q. 1½	6.74	F. N. Burt Company, com.	88	72	82	65	75	63½	89	Mar. 15	71	Jan. 13	84¼		90	89½	90	88	90	51	
	1,975,200			7	7	2nd Jan.	q. 1¾	7.36	" " " pref.	96	86	93½	86	90	77¾	95½	Mar. 15	90	Jan. 22				95¼	95¾	94¼	95¾	70	
2,500,000		3,750,000	153,523		2	2nd Jan. '17,	2		Canada Bread, com.	30	16½	20	13	24½	16	23½	Jan. 11	18	Feb. 11			20	19½	20	19½	20	35	
	1,250,000			7	7	2nd Jan.	q. 1¾	7.86	" " pref.	90	87	86½	80	83¾	83¼	85	Jan. 18	83	Feb. 13									83
13,500,000		6,839,046	4,002,643	4½	6	10th Jan.	q. 1½	9.23	Canada Cement, com.	73	37¾	69⅞	52	69¾	56½	71	Mar. 4	63	Feb. 6	60½	60	65¼	64½	66¾	64¼	65	626	57
	10,500,000			7	7	16th Feb.	q. 1¾	7.07	" " pref.	9	86	95¾	90	96	90	100	Mar. 7	95	Jan. 2	90			99	99⅛	98½	99¼	272	90
4,975,000		5,222,593	5,830,171			2nd June '14	s. 2		Canadian Car and Foundry, com.	75	32	46½	17	38¼	18	32¾	Feb. 25	28	Jan. 2	25	24	31⅛	30½	31	30	31	80	18¼
	7,500,000					10th Jan.	q. 1¾	8.04	" " " pref.	94	1¾	89	49	91	49½	89	Mar. 25	82	Jan. 23	63	61½	89	88	88	87	88	277	49½
1,733,500		399,000	541,711		3	15th Feb.	q. 1¼	10.00	Canadian Converters	46	34	43	39	50	43	51	Mar. 3	45	Feb. 6			51	50¼	51	50½	50⅛	385	43
2,715,500		4,688,000	1,948,109	3	4	4th Apr.	q. 1½	8.00	Canadian Cottons, Limited com.	65	39	56	46½	70	48½	76	Mar. 14	67	Feb. 20	60	59	75	74¾	76	75	75	50	48¼
	3,661,500			6	6	4th Apr.	q. 1½	7.40	Canadian Cottons, Limited, pref.	82½	75½	82	75	77	71	83	Mar. 21	76	Jan. 10					81¼	81	81	155	76
92,600,000	1,500,000		1,340,439	3	9	15th Jan.	s. 3		Canadian Fairbanks-Morse, pref.																			
960,000		179,200	1,297,706	10+9	12+3	15th Feb.	q. 3	6.09	Canadian Foundries & Forgings, co	217	170	205	150	213	150	200	Feb. 18	191	Feb. 18									15⅛
	960,000			7	7	15th Feb.	q. 1¾	7.21	" pref	90	85	84	82	97	90	89½	Feb. 13											
1,[illegible]00,000		1,500,000	1,657,324		3	1st Apr.	q. 1½	9.52	Canadian Locomotive Co., com.	64½	51	64	52½	69⅛	58	64	Mar. 11	60	Feb. 20			62½	61⅛	62⅛	62	62	70	58
	1,500,000			7	7	1st Apr.	q. 1¾	7.77	" " " pref.	99	81	91⅛	83	90½	83	91¾	Mar. 18	90	Jan. 14					90½	90	90	4	84½
2,805,500		9,500,000	4,305,934			15th Oct. '14			Can. Consolidated Rubber, com.	91	84	99¾	90	100	98													90
	3,000,000			7	7	31st Mar.	q. 1¾	7 14	" " " pref.	97	91	99¼	95	98	97	98	Jan. 16	97	Feb. 7									97
8,000,000			5,122,776	8	8	1st Apr.	q. 2	7.69	Canadian General Electric, com.	121	108	115½	99½	106	99½	104¼	Mar. 12	101½	Mar. 18	102½	101½	105	104	104½	103	104½	1,200	101½
	2,000,000			7	7	1st Apr.	s. 3½	6 36	" " " pref.	112	110	106	94½	110	100													
1,200,000		465,500	573,116						Carriage Factories, Limited, com.	44	29¾	25	9¼	17	15													15
	1,200,800					15th July '15	q. 1¾	10.00	" " " pref.	75	60																	58
565,000		55,114	159,507	4		1st Oct.'16	q. 2		City Dairy, com.	98	89	30	30	50	30	55	Mar. 19	43	Jan. 28	30								30
	700,000			5¼		2nd Jan.	q. 1¾	7.77	" " pref.	100½	92	70	60	87	60	91	Mar. 25	84	Feb. 18		63		90	91	91	91	1	
6,500,000			3,025,307	8+12	9½+2	15th Feb.	q. 2	6.50	Dominion Bridge Co.	231½	160	170	125	128	123	123	Jan. 13											123
2,796,300		1,279,410	1,472,221			1st Apr.'14	q.		Dominion Canners, com.	22	15	26	19	43	40	39⅞	Mar. 4	34	Mar. 14			36	35¾	35⅛	34½	36⅛	85	23¾
	2,290,600				7	1st Apr.	q. 1¾	8.43	" " pref.	65	61½	78	65	81	65	85½	Mar. 8	76	Jan. 10			84	83	83¾	83	83	44	
37,097,700	7,000,000	21,206,777	15,562,286		4½	1st Apr.	q. 1½	9.83	Dominion Steel Corporation, com.	82	43	71¼	50¾	65	53	62½	Jan. 3	58¾	Feb. 3	59½	59	61¾	61¼	61⅞	51½	61⅛	1,373	52
	5,000,000	13,861,880		7	7	1st Apr.	s. 1¾	7.29	Dominion Iron and Steel, pref.	105	90	95	87½	98	88	96½	Mar. 13	93½	Jan. 2	91		98	96	96	96	96	10	88
15,000,000	3,000,000	6,162,000		7	7	1st Feb.	q. 1¾	7.21	Dominion Coal, pref.	99	93	96½	85	95	94¼	98	Feb 3	96½	Feb. 27									94¼
5,000,000		3,267,500	2,189,194	6	7	1st Apr.	q. 2	7.54	Dominion Textile, com.	90½	74½	89	76½	100⅛	80¾	109¾	Mar. 12	100	Feb. 5	84½	83	108	107	110	106½	110	1,124	80¾
	1,940,600			7	7	15th Jan.	q. 1¾	7.54	" pref.	105	101	105	99½	102	100	108	Mar. 14	101	Jan. 15	100		106		105¼	105¼	105¼	15	100
2,250,500		1,150,000	520,221						Goodwins, Limited, com.	40	40			15	11	12¾	Feb 26	10	Feb. 5									
	1,750,000					2nd July '14	q. 1¾	11.66	" " pref.	75	40	45	45	45	45	60	Mar. 1	45	Jan. 11									45
747,560		210,000	1,360,336	6	6	2ndApr	q. 1½	6.00	Goulds Manufacturing Co., com.			100	100	100	100													100
	747,500			7	7	2nd Apr.	q. 1¾	7 00	" " pref.			100	100	100	100													100
6,267,005	500,000		1,009,017						International Petroleum			15.30	11.60	20.50	13.00	23.00	Feb 21	19.25	Jan, 8									
40,000,000		8,294,000	4,541						Lake Superior Corporation			24	10¼															
2,100,000		900,000	978,797	8	8	1st Mar.	q. 3	7.64	Lake of Woods Milling Co., com.	136¼	122	130	120	169	120⅛	165	Jan. 14	157	Mar. 26			160	158	160	157	158	30	120⅛
	1,500,000			7	7	1st Mar.	q. 1¾	6 50	" " " pref.	129	116	116	116	110	100	106½	Jan. 16	106	Jan. 17				106	106	106	106	65	
9,600,000		620,615	2,425,548	8	10	1st Apr.	q. 3	5.88	Laurentide Co.	217½	176	195	152	198	152	209½	Feb. 20	192	Jan. 10			207	206	206	204	206	145	152
1,750,000	1,300,000	1,038,600	365,852		2	10th Jan.	2		Lyall Construction Co., com.	93	25	80	53	85½	63					65	64			64	64	64	100	62
3,000,000	1,766,800		190,908			30th June '13			A. Macdonald Co. com.	19½	10	15½	8	23	13½	25	Feb. 26	21½	Jan. 10	15⅛	15	24	23	24⅞	24	24	405	13⅛
2,500,000			2,072,508	9	22½	18th Jan.	q.2½+1	7.19	Maple Leaf Milling, com.	122	100	115	90	140	91	142	Mar. 13	121¼	Jan. 30	96½	95	135½	134¾	139	135⅜	135½	65	88½
	2,500,000			7	7	18th Jan.	q. 1¾	6.93	" " " pref.	108	93	103	91¾	98½	91½	101	Mar. 10	96¼	Jan. 8			100	99½	101½	99½	99½	45	
2,949,600		774,689	2,420,384	4	4	15th Mar.	q. 1	6.25	Montreal Cottons, Ltd., com.	63	50	58½	49	61	50	65	Mar. 15	58⅜	Jan. 9			66	65	64	64	64	10	50
	3,000,000			7	7	15th Mar.	q. 1¾	6 86	" " " pref.	115	99	103	99	100	99½	103	Mar. 15	100	Jan. 17			103	102¼	103	103	103	25	99½
1,275,000			527,504			1st Nov.'13	q. 1½		Monarch Knitting Co., com.	40	25⅛	40	30	46	39	60	Mar. 12	50	Jan. 28	43			57	57	57	57	106	
	750,000			7	7	1st Feb.	q. 1¾	8.23	" " pref.	83	80	81	80	80½	75	85	Mar. 10	78	Jan. 6									73
2,000,000			2,331,209						National Steel Car, com.			21	5	10½	5	16	Feb. 27	5	Jan. 16									
	1,500,000			3½		15th Jan	q. 1¾	13.20	" " " pref.			78	17	40	20	59	Mar. 19	18	Jan. 14									
15,000,000		11,21 ,823	3,730,092		5+20	15th Oct.	s. 2½	9.80	Nova Scotia Steel, com.	154½	93¼	128	66	71½	63½	66	Jan. 6	48	Mar 5									63½
	1,000,000			12	8	2nd Jan.	q. 2	7.61	" " " pref.	115	110	112	105	103	100	106	Feb. 12	104½	Mar. 21									
2,500,000		2,350,000	3,8[illegible]0,592	8+4	10½15	1st Apr.	q. 3	6.00	Ogilvie Flour, com.	152	127⅞	158	137	205	140	224¾	Jan. 11	194	Mar. 11					195	195	195	23	140
	2,000,000			7	7	1st Mar.	q. 1¾	6.36	" " pref.	116	44½	115	107	111	100	110	Feb. 8	106	Jan. 13			109		109	109	109	20	
750,000		575,100	843,029						Ont. Steel Products, com.	45	19	34	18	35	22½	32½	Feb. 19	27¼	Jan. 4									22½
	750,000			5½	7+1¼	15th Feb.	q.1¾+½	8.97	" " " pref.	91½	73	74	74	28	73													
650,000			38,026	2	2	1st Jan.	s. 1	5.88	Pacific-Burt Co., com.	29	20	40	28	34	34							30	29	30	30	30	10	
	650,000			7	7	1st Apr	q. 1¾	9.33	" " pref.	83¼	77½	82	79	77¼	77¼	77¼	Feb. 18	75	Mar 8				76	76	76	76	17	
600,000			644,594	8+3	8+5	15th Mar.	4+2	7.75	Paton Manufacturing Co.			130	124	124	124													124⅞
2,150,600		2,000,000	3,350,167	4+1	4+1	15th Feb.	q. 1½	6.59	Penmans, Limited, com.	78	60	73½	64	84	65	94	Mar. 3	77½	Jan. 4	75	73½		91	91	90½	90½	160	65
	1,075,000			6	6	1st Feb.	q. 1½	6.66	" " pref.	90	82	86	81½	85¼	81½	92	Mar. 27	82¾	Feb. 5	81⅞			90	92	92	92	30	81⅞
5,000,000		5,923,764	2,220,239	6	6	2nd Apr.	2	4.84	Price Bros.	132	60⅛	134	115	151	120	190	Feb. 25	150	Jan. 10									120⅛
4,500,000		2,036,600	1,851,813	3½+1	6+4	15th Feb.	q. 2½	8.47	Riordon Pulp and Paper, com.	150	59	127	106	123	117¼	123	Feb. 21	117¼	Jan. 2	121		119	118¼	119	118¼	118¼	145	117¾
	1,000,000				7	31st Dec.	q. 1¾	7.36	" " " pref.			95	90	97	92½	96	Feb. 4	94	Jan. 4									90½
1,500,000		437,000	503,082	6	1½	1st Apr.	q. 1½		William A. Rogers, Ltd., com.	99	85	80	40										27	25⅛	25⅛	25⅛	10	
	900,000			7	7	1st Jan.	q. 1¾	10.76	" " " pref.	99	87	92	90			65	Mar. 13											60
800,000			536,162		7	1st Aug.	q. 1¾	9.33	Russell Motor Car, com.	114	32	92	50	90⅞	55	75	Mar. 12	68	Feb. 19									50
	1,200,000				29¾	1st Feb.	q. 1¾	8.64	" " " pref.	139	66	122	72	91½	68¼	81	Feb. 26	70	Jan. 10									68¼
1,500,000		574,500	129,711						Sawyer-Massey Co., com.	30	20	24	8	13	10													
	1,500,000					2nd June '14	q. 1¾		" " pref.	134½	58	41	40	40	40													40
4,000,000		1,838,500	2,333,282						Sherwin-Williams, com.	99½	53½	60	56	60	60	60	Jan. 3											60
	2,425,000			7	7	31st Mar.	q. 1¾	7.07	" " pref.	100	97½	100	98	100	99	99½	Jan. 14	99	Jan. 6					99½	99½	99½	10	99
8,750,000			395,100	6+1	6+2	1st Mar.	q. 2	6.45	Shredded Wheat, com.	140½	102¼	137¾	112	112	100	125	Jan. 13	124	Mar. 15									109½
	1,250,000			6	6	1st Mar.	q. 1½	6.74	" " pref.	120	95	95	95	92	87	89	Jan. 13											
1,062,500		288,000	205,765		4				Smith Paper Mills, Com.			74½	66	66	65	65	Feb. 27											
	475,000				7	15th Jan.	q. 1¾	8.80	" " " Pref.					80	73¼	79	Feb. 28	78	Feb. 28									65
8,000,000		10,332,113	1,071,301						Spanish River Pulp Mills, com.	24¼	3½	19	12½	20	12¾	21¼	Feb. 28	17	Jan. 14	13		20	19½	20	[illegible]	19¾	965	13
	5,699,100					15th July'13	q. 1¾		" " " pref.	70	29	59¼	47	64¾	50	80¼	Mar. 7	63½	Jan. 23			82	81	82	78¼	82	585	50
11,500,000		8,766,147	12,458,762	4	6	1st Feb.	q. 1½	9.52	Steel Co. of Canada, com.	88¼	34¼	71½	47½	74¼	49¼	65⅛	Jan. 8	57½	Feb. 1	56¾	56	64⅞	64⅝	65⅛	63⅛	65	3,562	49½
	6,496,300			10½	7	1st Feb.	q. 1¾	7.44	" " " pref.	107¼	82½	100½	84½	98	84	95	Jan. 6	93	Feb. 5	94½	90	94½	94¾	94¼	91½	94¼	54	85¼
1,250,000	3,602,700	1,111,736	154,402			1st June '14	3½		Standard Chemtnal, pfd.					62	62¼													
1,220,000		167,155	251,154			1st Feb.	1½+1	6,66	St. Lawrence Flour, com.					97¾	50	96	Jan. 2	87½	Mar. 12					85	85	85	11	
	575,000					1st Feb.	1¾	8.75	" " " pref.			56	49	85	80	80	Feb. 8											55
650,000			149,379						Tooke Bros., com.	25	16	19	19	30	15	25	Mar. 25	20	Mar. 11									19
	985,000			8¾	8¾	15th Mar.	q. 1¾	9.21	" " pref.	83	78	79	70	77	72¼	76	Mar. 11	70	Feb. 4									70⅛
750,000		500,000	254,089	5	6+4	2nd Jan.	s. 3	8.82	Toronto Paper Co.	96	44	90	72	72⅜	65	69	Feb. 11	68	Mar. 6			74½	72½	75	68¼	75	60	
2,500,000			337,933						Tuckett Tobacco, com.	25	23½	22½	17	24¼	18½	29½	Mar. 4	22	Jan. 17			28⅛	27¾	28½	28	28	175	18⅛
	2,000,000			7		15th Jan.	q 1¾	8.23	" " pref.	90	75	83½	78	82½	72¾	85	Mar. 5	80	Jan 4									80
1,750,000		901,000	5[illegible]0,347			2nd Apr.	1½	8.57	Wabasso Cotton					61	21	70	Mar. 20	58	Jan. 2			70	69½	69½	69½	69½	15	
5,000,000		3,395,000	1,408,060						Wayagamack com.			97	50	55	50	55	Jan. 2	50	Feb. 13			50		50	50	50	5	50
1,718,600		449,000	1,091,439		7	1st Mar.	q. 1¾		Woods Manufacturing Co., Ltd. com.	65	33	61	44	98	57¼	90	Feb. 11	86¼	Jan. 13									53
	1,546,500			15¾	7	1st Apr.	q. 1¾	7.77	" " pref.	101	84	86	80	86	83½	90	Mar. 17	86	Mar. 14			90		90	89	88	100	86

LOAN, INSURANCE AND FINANCIAL STOCKS AND MISCELLANEOUS

Common Stock outstanding	Deposits Preferred Stock or Debentures Outstanding and Int.	Reserve and Contingent P. & L.	Dividends 1917-18	Last Dividend Date	Last Dividend Per cent.	LOAN AND TRUST	Range for Year 1917 High	Range for Year 1917 Low	Range for year 1918 High	Range for year 1918 Low	Latest Price Ask	Latest Price Bid	Last Sale
1,205,090	3,847,080	1,337,989	9	1st Apr.	q. 2¼	Canada Landed	160	150	148¾	140	148¾		140
6,000,000	19,626,287	5,672,509	10	1st Apr.	q. 2½	Canada Permanent	173	162½	169½	162½	170		172
1,750,000	4,968,206	1,842,074	10	1st Apr.	q. 2½	Central Canada					190		
20,000	2,981,290	427,213	6	2nd Jan.	s. 3	Col. Investment, pref.	77	63	69	63	74	80	80
934,676	1,032,651	271,556	5	2nd Jan.	s. 2½	Dominion Savings			76	75		82	81
2,412,566	2,221,508	827,258	5	1st July	Def.	Great West Per.							89½
1,200,000	2,091,322	1,228,940	8	2nd Jan.	s. 4	Hamilton Provident	142	137	133	121		135	
2,500,000	12,294,412	3,323,337	12	1st Apr.	q. 3	Huron and Erie	211	205	204	203			207
1,000,000	1,597,848	886,732	8	2nd Jan.	s. 4	Landed Banking	143	143	141	140		139	139
1,250,000	2,653,710	924,981	8	1st Apr.	q. 2	London and Can. Loan	132	128½	126½	126½	126		127
887,849	1,664,356	362,385	6+1	1st Apr.	q. 1½	London Loan and Sav.							
600,000	317,808	764,494	10+1	15th Mar.	q.2½+1	Montreal L. & Mtg. Co.	165	162½	152				153
1,500,000	7,892,179	1,662,183	10	1st Apr.	q. 2½	National Trust	212	207				210	207½
1,750,000	3,749,473	2,093,943	9	1st Apr.	q. 2¼	Ont. Loan and Deb.	175	175				155	155
500,000	643,698	262,754	7	2nd Jan.	s. 3½	Real Estate Loan						145	
1,500,000	34,589,757	2,152,812	10+1	1st Apr.	q. 2½+1	Toronto Gen. Trusts	215	200	204	199¾	207		204
724,550	1,773,183	659,449	8	1st Apr.	q. 2	Toronto Mortgage Co.	140	136	134			134	132
1,000,000	1,912,673	1,134,604	10	1st Apr.	q. 2½	Toronto Savings							185
1,000,000	11,157,301	494,065	7	1st Apr.	q. 2	Union Trust							178
1,000,000	49,964,580	7,463,612	15	1st Apr.	q. 2	Canada Life Assurance							190

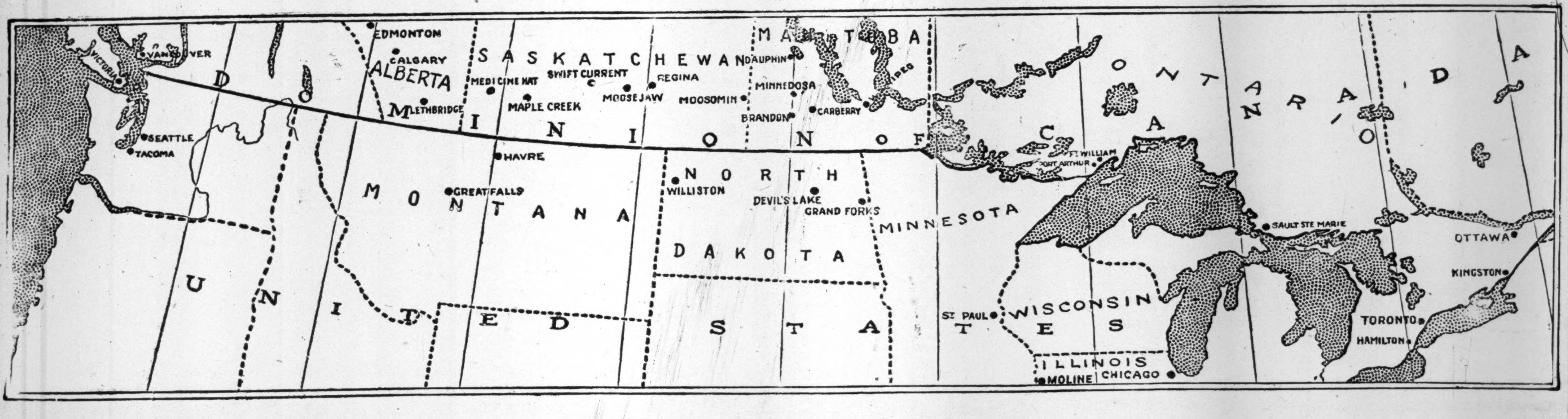
Common Stock Outstanding	Bonds, Preferred Stock or D'b'ntures Outstrnding	Reserve and Contingent P. & L.	Dividesd 1917	Last Dividend Date	Last Dividend Per cent.	MISCELLANEOUS COMPANIES	Range for year 1917 High	Range for year 1917 Low	Range for Year 1918 High	Range for Year 1918 Low	Latest Price Ask	Latest Price Bid
3,000,000		1,395,591		15th Jan.	1¼	Asbestos Corporation, com.	21	12	45	15	55	54½
	7,000,000		6	15th Jan	1½	" " pref	58	42	62¾	44¾	72	71
1,500,000		1,588,183	9	1st Apr.	s. 4	Canadian N. Prairie Lands						
800,000	390,000	451,006	8	1st Apr	q 2	Canadian Salt.	136	128	132	126		135
59,109		1,757,277	$5	23rd Dec.	$5	Can North-West Land						
100,000	11,234,281	1,969,045	20	31st Dec.	q. 5	Confederation Life A.	330	330			375	
6,212,666		501,345		1st Mar.	q. 1½	Crows Nest Pass Coal.	70	50	55	50		53
1,000,000		292,230	6	15th Jan.	q 1½	Dominion Telegraph	89	76½				85
3,000,000	12,669,500					Electrical Dev., pref.						
450,000	b 7,072,085	1,991,255	10	1st Apr.	q. 2½	Imperial Life Assur.						
500,000	460,400	785,511	7	5th Feb.'	s 3½	Intercolonial Coal, pref.					80	
3,000,000		133,458		1st Mar. '14	1	Intern. Coal and Coke			25	25		
2,196,951	1,922,500	652,424	7	15th Feb.	q. 2	Kaministiquia Power			120	120	112	
637,480	b 585,937	136,566		2nd July '17	s. 3	London Street						
2,000,000		119,740	8+10cts	15th Jan.	q. 2	Montreal Telegraph	138	115	120	120		120
925,000	b1,123,000					Nia., St. Kath. and Tor.						
1,164,000	b 741,000	286,076	3¾	10th July '15	q.1¼	Trinidad Electric						
2,340,100	b1,439,926	858,434	8+2	16th Mar.	q. 2	W. Can. Flour Mills						
800,000	b 600,000	606,068	5	1st Apr.	q. 1¼	West India Electric	77	77				

NOTE—s—means semi-annually; q—quarterly; I—interim; L—Profit and Loss; +—indicates bonus; b—means bond; P—preferred stock; d—debentures; *—less than ten shares; sb—stock bonus; A—$500 per share return of capital paid February 1st, September [illegible]th, 1912; Feb. 1st and Nov. 17th, 1913, December 1, 1914.

Farm Implement Prices and Duties

THERE is a wide difference between statements of Western grain growers and the manufacturers relative to the prices of Canadian-made agricultural machinery and comparable implements produced in the United States. The Canadian Reconstruction Association has made an investigation of such prices at a number of points in Western Canada and at places directly south in the Northwestern States.

As a result of the inquiry the Association submits the following comparisons, believing them to be accurate. The quotations are *average*, retail, one-payment prices in the United States, for 1919 Spring delivery, of a standard 7-foot binder equipped with sheaf carrier and fore carriage, as compared with the *highest*, retail, one-payment prices in the districts mentioned in Canada. The prices are for implements which compete regularly in foreign markets, where the Canadian-made binder is said to sell for even a higher price than the binders made in the United States.



COMPARISON NO. 1

Grand Forks, North Dakota ..	$240
Devil's Lake, North Dakota .. (See Map)	$245
Any point in Manitoba as far north as Dauphin and west to the border of Saskatchewan	$248

COMPARISON NO. 2

Williston, North Dakota ..... (See Map)	$280
Regina, Moose Jaw or any point in Southern Saskatchewan to West of Morse	$259

COMPARISON NO. 3

Havre, Montana .... (See Map)	$290
Maple Creek, or any other point in Southwestern Saskatchewan	$261

COMPARISON NO. 4

Great Falls, Montana .... (See Map)	$300
Lethbridge, Calgary, Edmonton or any point in Southern Alberta	$266

The prices quoted are much higher than were prices before the war, but the comparative figures show a very similar relation to those quoted by Sir Thomas White in the Canadian Parliament in April, 1914, as a result of an enquiry made under his direction by Mr. Costello, an official of the Canadian Customs Department, who was sent to Western Canada and the Northwestern States expressly to secure information as to prices and the effect of the tariff duties on agricultural implements.

The figures given above and those reported by Mr. Costello seem to show that the Canadian price is not, as sometimes stated, the United States price plus the duty. In some cases, agriculturists in Manitoba appear to pay more than is paid by the farmers at points directly south in the United States, but such does not seem to be true of farmers generally in Western Canada.

The Canadian manufacturers claim that farmers west of Manitoba buy binders at lower prices than do farmers at places directly south in the United States and, indeed, that Canadian agriculturists generally purchase farm machinery more cheaply than do the farmers in any other country in the world.

For comparison, the binder has been considered because it is a fairly standardized implement. In the case of drills, mowers and certain other farm machinery there is a wide difference in the products of various manufacturers, and price comparisons are apt to be misleading. Comparison is possible, however, between the prices of wagons. The inquiry made by the Canadian Reconstruction Association, and supported by actual signed orders, seems to show that a purchaser in Southern Manitoba pays $163.50 (one payment, retail price) for a 3½-inch arm, 3-inch tire, Canadian-made wagon, complete with seat and box, while a farmer at Devil's Lake, North Dakota, has to pay for a comparable wagon $170.00. The price at Havre, Montana, appears to be $185.00, as compared with $168.00 at Maple Creek, or any other point in Southwestern Saskatchewan.

The executives of Canadian implement companies state that they have not at any time sold farm machinery at a lower price in the foreign than in the domestic market, under similar conditions and when the difference in cost of transportation is taken into account. On that proportion of their output which is sold abroad, Canadian manufacturers are entitled to a rebate of 99 per cent. of the duty which they have paid on materials entering into their products. It is claimed that the United States and Canada are the lowest-cost producers of agricultural machinery in the world. These two countries have an advantage over domestic producers in foreign markets. Competition is less keen and prices are higher than are prices in Canada. Government reports show that during the war overseas prices in Great Britain, France, Australia, Argentina and elsewhere have been much higher than those obtaining in this country.

The tariff on agricultural implements yields about three million dollars revenue annually to the Dominion Treasury—income which should have to be made up in some other way if the duties were removed. Besides, there is the revenue from customs duty paid by the farm implement manufacturers on imported machinery and materials. In addition, the farm implement industry in Canada, through taxes and otherwise, helps to support provincial and municipal services and provides a considerable market for the products of a large number of other Canadian interests. The tariff duty—in the case of binders, mowers and reapers now only 12½ per cent. of the Customs valuation, or in reality not more than 10 per cent. of the retail selling price—helps to retain the market for Canadian manufacturers, enabling them to produce in larger quantities and at lower unit cost. The annual wage and salaries bill of the agricultural implement industry to Canadian workers is about $20,000,000 and close to 100,000 persons are dependent upon this income for their livelihood. Through other local industries, from whom the agricultural implement companies purchase materials of various kinds, the interests of many thousands of additional workers are involved.

If, by abandonment of the Canadian tariff duties, the United States manufacturers of farm machinery were enabled to capture a larger part of the Dominion market, it is said that serious harm might be done to the Canadian industry and the foreign manufacturers might then exploit the Canadian grain growers by charging higher prices, on account of there being little or no competition from domestic producers.

Before removing or lowering the duty, it is desirable that Parliament and the public should have definite information as to whether or not the present duty more than compensates for the higher costs resulting from the geographical situation and other factors over which the Canadian manufacturers of farm machinery have no control. They also should know whether the Canadian farmer could obtain any lasting advantage from removal or modification of the present duty. Who pays the duty? Does the tariff help to retain the Canadian market for Canadian-made implements, thus contributing to a lower unit cost of production and at the same time providing employment at good wages for Canadian workers and a market for the products of other Canadian industries? Have the manufacturers of implements taken any undue advantage of the tariff to charge excessive prices? These questions should be studied and answered. Until they can be answered and until the tariff problem can be considered in its entirety, there is reason to suggest that the demand for removal of the duties on agricultural implements be deferred.

CANADIAN RECONSTRUCTION ASSOCIATION

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HEAD OFFICE
Royal Bank Building, Toronto

EASTERN OFFICE
603-4 Drummond Building, Montreal